

## Waterways Column

# Waterways infrastructure investment is critical to the nation's economic growth—and it's Green!



**T**his is an interesting time for the United States. While it is a time of hardship for many people given the fluctuating economy, it is a time of great opportunity for us as a nation to focus on the resources we have right here and to enhance and advance them for our future.

The best example of an American resource that deserves our attention and our care is our vast inland waterways system. When Lewis and Clark explored the rivers in the early 1800's, it was to discover arteries for commerce and trade. The rivers were the connection between far-flung parts of our young country, and remain so in modern day.

Today, the U.S. waterways system transports around 20% of our nation's coal burned to generate electricity in utility plants and around 22% of our domestic petroleum products. The system is the primary route for more than half of grain and oilseed exports. More than 625 million tons of freight commodities valued at more than \$70 billion move on America's inland navigation system each year.

With worldwide trade expected to double over the next decade and with our nation's highways and railways facing

serious capacity issues, our inland rivers may be even more critical in the future for transporting products efficiently—far beyond what Mr. Lewis and Mr. Clark ever imagined.

### BARGES ARE THE GREEN CHOICE

The most fuel efficient and environmentally sound way to transport bulk commodities and large cargoes is by barge on our inland waterways. A recent national study by the National Waterways Foundation underscores the "green" value of this transport mode as well and points up the relief inland waterways can provide for congestion on our already over-crowded highways and railways. One jumbo barge has the same capacity as 70 trucks or 16 rail cars. A typical 15-barge tow on our nation's rivers is equal to 1,050 trucks or 216 rail cars.

Moving products by water also produces far fewer emissions of carbon dioxide for each ton of cargo compared to transporting that same cargo by truck or rail.

Simply put, when comparing the green value of moving commodities by truck, rail and barge, barges are best!

But in order to sustain these many benefits and provide economic growth for tomorrow, investment in our nation's inland navigation system of locks and dams is critical today. Many of our locks and dams are more than 50 years beyond their economic design life and are deteriorating rapidly, impacting efficiency, safety, and our world competitiveness. We must modernize our lock and dam system so that our farmers, coal miners, oil producers and stone/aggregate suppliers can transport their products cost-effectively and efficiently allowing them to remain competitive both domestically and in the world market.

In this difficult economic time, when those in our nation's capital are calling for all of us to be more energy efficient and environmentally and fiscally responsible, it only makes sense to protect and enhance the most energy-efficient, envi-

ronmentally sound way to move bulk goods on our inland waterways system.

In its June budget, the Obama Administration offered a proposal to change the way lock and dam infrastructure is funded, from the current 20-cents-per-gallon tax on diesel fuel paid by the industry into an Inland Waterways Trust Fund to a barge lockage fee similar to a toll. This doesn't make sense to barge operators, shippers and even many bi-partisan leaders in Congress, who have decried the proposal for penalizing certain parts of the system where there are many locks to transit versus parts of the system where there are few.

What's the alternative to this barge lockage fee proposal? There is currently an industry/government partnership that will produce a report to Congress early in 2010 outlining a long-term capital funding mechanism that will prioritize navigation projects across the system and define how to pay for them in a more efficient manner. Those of us in industry are solidly behind this effort because the current system to pay for the aging locks and dams is just not adequate to meet our needs in the future. We must also address the significant delays and cost overruns experienced at some of our large lock and dam projects. We as a nation cannot afford these delays and cost overruns. We hope that this industry/government initiative will result in a more efficient project delivery system.

America's waterways system offers our country an opportunity to compete in the world market, it relieves our congested highways, makes our air cleaner to breathe, allows us vast recreational opportunities, hydropower, sources of drinking water, flood protection and ecosystem restoration. In order to continue to enjoy these benefits, we must make necessary investments in this system today; if we don't, all who enjoy the benefits of our valuable inland waterways are in jeopardy. That's a risk we can't afford to take.

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