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Cargill's Calhoun Named Chair of Waterways Council, Inc.

Group says funding issues threaten inland waterway infrastructure

ARLINGTON, VA -- Rick Calhoun, president of Cargill Marine and Terminal, Inc., has been elected chairman of the Waterways Council, Inc. (WCI), the national public policy organization advocating a modern and well-maintained national system of ports and inland waterways.

“We are at a critical juncture in the U.S. waterways,” Calhoun said. “The waterways infrastructure is aging, with more than half of our nation’s 240 lock chambers operated by the U.S. Army Corps of Engineers being beyond their 50-year economic design lives.”

WCI (www.waterwayscouncil.org) is supported by more than 200 waterways carriers, shippers, port authorities, shipping associations, environmental and conservation organizations, and waterways advocacy groups from all regions of the country.

“As the country debates the issue of sustainable energy supplies, it is important to look at options right here in the United States that maximize efficiency, keep our environment green and air quality high, and protect jobs,” Calhoun said.

WCI is urging the Administration to support a government-industry initiative, now underway, to develop an improved project delivery system and Long Term Capital Plan for America's inland waterways infrastructure. This Plan will ensure that resources and processes are in place to maintain the critical and environmentally sustainable inland marine transportation system. The Plan also seeks to recommend a funding stream that industry can afford and is sufficient to meet waterways' infrastructure needs. This comprehensive initiative is a consensus-based plan jointly developed by industry leaders and the Corps of Engineers. The Plan will be presented to Congress later this year for consideration in the development of a 2010 Water Resources Development Act

WCI is also urging the swift rejection of a proposed lock usage fee in lieu of the current inland waterways tax on diesel fuel. The lockage fee has been soundly rejected by Congress, and was included in President Obama's FY 2010 proposed budget as well as Bush Administration budgets.

"It is disappointing that the Obama Administration would support a tax that will discourage the use of barge transportation, the most energy efficient, environmentally sound mode of transportation in the U.S.," Calhoun said. "At a time when this Administration is calling upon our citizens to be more energy efficient and environmentally responsible, this proposal is ill-conceived."

Recent studies have documented that barge transportation on the US inland waterway system emits 28 percent less carbon dioxide per ton-mile than rail transportation and 72 percent less carbon dioxide per ton-mile than trucking.*

Calhoun noted that Warren Buffett, CEO of Berkshire Hathaway, recently agreed to acquire the remaining shares of Burlington Northern Santa Fe Corporation, citing that the country's further prosperity depends on its having an efficient and well-maintained rail system. "I believe that our prosperity depends upon its having an efficient and well-maintained transportation infrastructure," Calhoun said, "and that includes highways, rails and the waterways."

Inland waterway facts

--Inland barge transportation produces far fewer emissions of carbon dioxide for each ton of cargo moved compared to transporting that same cargo by truck or rail. Trucks emit 71.6 tons of CO₂ per million ton-miles, rail emits 26.9 tons of CO₂ per million ton-miles, while towboats emit only 19.3 tons of CO₂ per million ton-miles.*

--America's waterways system is an economic generator that attracts significant private and public investment in plant and equipment. This investment creates economic activity and sustains family-wage jobs. The river system is a critical energy supply line, facilitator of exports, and an environmentally superior mode of transport.

--More than 625 million tons of freight commodities valued at more than \$70 billion move on America's inland navigation system each year. This commercial traffic includes building block commodities such as grain for domestic and international markets, steam coal for electric power generation, steel to domestic and international locations, petroleum products to distributors, feedstocks to chemical plants, and aggregate materials for construction use.

--Our waterways system transports about 20% of the Nation's coal burned to generate electricity in utility plants and around 22% of domestic petroleum products. The inland waterways system is the primary artery for more than half of grain and oilseed exports.

--Our Nation's inland waterways system is a key transportation element that binds all of us together. It allows us to turn on a light, to eat our favorite breakfast cereal, or to drive our car to work.

--Every transportation mode has infrastructure needs. The inland waterways transportation mode, generally out of sight, out of mind, is the most energy efficient with the smallest carbon footprint and unused capacity of all other modes.

--Inland waterways relieve congestion on our already over-crowded highways and at-capacity railways that run through cities. One jumbo barge has the same capacity as 70 trucks or 16 rail

cars. For a typical 15-barge tow on our Nation's rivers, that is equal to 1,050 trucks in just one barge movement! This mode of transport helps to protect our environment and our air quality.

**from a study by the Texas Transportation Institute, National Waterways Foundation and the U.S. Maritime Administration (visit www.nationalwaterwaysfoundation.org)*