ECONOMIC IMPACT OF KENTUCKY’S INLAND WATERWAYS

IN 2018, KENTUCKY’S PORTS, INLAND WATERWAYS, AND INLAND WATERWAYS-DEPENDENT INDUSTRIES SUPPORTED

- Nearly 110,000 jobs
- $5.9 billion in personal income
- $12.0 billion in Gross State Product
- $30.7 billion in total output

...Giving rise to more than $1.2 billion in state & local tax revenue

INLAND WATERWAYS SUPPORT KENTUCKY’S KEY INDUSTRIES

<table>
<thead>
<tr>
<th>Industry Sub-Category</th>
<th>Percent of Goods Shipped by Water (Tons)</th>
<th>Direct Kentucky Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilities</td>
<td>37.4% of inbound</td>
<td>6,820</td>
</tr>
<tr>
<td>Mining (except oil &amp; gas)</td>
<td>27.4% of outbound</td>
<td>7,750</td>
</tr>
<tr>
<td>Crop production</td>
<td>20.0% of outbound</td>
<td>3,270*</td>
</tr>
<tr>
<td>Chemical manufacturing</td>
<td>17.3% of inbound</td>
<td>12,560</td>
</tr>
<tr>
<td>Nonmetallic mineral prod. mfg.</td>
<td>15.8% of outbound</td>
<td>7,470</td>
</tr>
</tbody>
</table>
| *Total for Agriculture, Forestry, Fishing, and Hunting sector (NAICS 11)*

TOP INLAND WATERWAYS COMMODITIES BY WEIGHT (comprising 79% of total tonnage)

- Coal, lignite, and coal coke: 41.4 million tons
- Sand, gravel, shells, clay, salt, & slag: 35.8 million tons
- Petroleum products: 8.7 million tons

TOP INLAND WATERWAYS COMMODITIES BY VALUE (comprising 54% of total value)

- Basic chemicals used in consumer products, including appliances, toys, and cosmetics: $2.6 billion
- Gasoline: $2.0 billion
- Coal: $1.8 billion

KENTUCKY’S INLAND WATERWAY ASSETS AT A GLANCE

- Mississippi, Tennessee and Ohio Rivers
- 11 public ports

In 2018, 108M tons of freight valued at $11.9 BILLION moved on Kentucky’s inland waterways, which is equivalent to 2.7 MILLION TRUCKS.

Avoided trucks translates into reduced congestion, emissions, and crashes, lessening impacts on highway infrastructure.
BENEFITS OF INLAND WATERWAYS TRANSPORTATION

America’s inland waterways system is vital to our nation’s competitiveness and economic growth. The inland waterways efficiently, sustainably, cost-effectively and safely transport critical commodities like agricultural goods, energy products, building materials and industrial chemicals to destinations within the U.S. and to deep water ports for export. In 2018, 766.3 million tons of goods valued at $507.3 billion moved on the U.S. inland waterways system, and by 2045 it is expected to increase by 23% to 942 million tons valued at $871 billion. Barge transportation is the safest, most environmentally-friendly, economical, and fuel-efficient way to move our nation’s goods for use domestically and for export. On a single gallon of fuel, one barge can move freight more than four times farther than trucks, releasing 10 times fewer emissions.

Called “the backbone of the transportation logistics system,” the inland waterways are a key part of the United States’ transportation supply chain. The system includes a vast network of 12,000 miles of connecting waterways and 218 locks. However, the majority of locks and dams on the Mississippi River system were constructed during the 1930s and are operating well beyond their 50-year design life. Modernizing the nation’s inland waterways system will support and create American jobs, increase U.S. exports, and inject billions of dollars into the U.S. economy to power our growth for the next 50 years.


One standard 15-barge tow moves the equivalent volume of 216 rail cars
or 1,050 trucks

The US’ inland waterways system saves between $7 billion & $9 billion annually over the cost of other modes due to efficiency and low cost

Source: USDA

The National Waterways Foundation estimates overall investment needs of inland waterways at $8 billion over the next 10 years

Over the next 10 years, constructing all authorized navigation projects and rehabilitating existing locks could have significant national impacts, leading to a 20% increase in jobs, 39% increase in Gross Domestic Product, and 40% increase in output

Source: USDA

In 2016, 250M recreational visitors of Corps lakes resulted in $10.6B in total trip spending, supporting over 189K jobs nationwide

Source: USACE

Barges have the smallest carbon footprint among freight transportation modes

Compared to barges, moving an identical amount of cargo by rail generates 30% more emissions, while trucks generate 1,000% more emissions.

Source: Texas Transportation Institute

The U.S. currently has a $5.35 per metric ton advantage over Brazil when shipping soybeans on the inland waterways system from Davenport, Iowa, to Shanghai, China.

Source: USDA