

MEMORANDUM FOR RECORD

SUBJECT: Inland Navigation Community of Practice Teleconference 06 December 2006 from 1030 to 1145

1. Ongoing Studies – Bill Frechione (LRP)

- Upper Ohio (EDM) Feasibility Study
- Schedule too long and project cost too high
- HQ – reduce according to EC 409
- Risks associated with study shortening put in table format
- GIWW: Section 216 studies; covers 425 miles, under funded, current standstill; systems study of navigation with no specific project studies; economic work for small ports, easing bends, unsafe conditions, and open water disposal sites

2. LRD Lock Maintenance – Mark Lisney (IWR)

- Draft Navigation Locks and Dams Maintenance Standard, 2006
- Prioritize project maintenances
- Procedure - Economic impacts of unscheduled long closures
- One and two chamber projects – How will the auxiliary chamber perform during these closure events?
- Performance measures - transportation rate savings & tonnages
- Goal is to minimize risk of highly disruptive unscheduled closures
- Repair fleets to become regional assets, not District alone
- Effects of closures at high impact locks
- Systemic issues at locks, long lead times
- Innovative maintenance techniques
- Hurdle - LRD assets regionalize budget process, currently funds budgeted by project/district
- Additional work - changes to procedures, include tributaries, review auxiliary chamber capacities, apply procedure 1Q calendar 2007
- Lock Maintenance PDT needs a member from the Nav Center

3. Wireless Data Exchange for Locks Workshop – Dave Lichy (IWR)

- Efforts to collect lock data, more complete and less redundant – data requirements, what's available, how might the data flow?
- ERDC developing AIS, NOLA working with transponders, LRP developing GPS data transmission between lock and towboat, Carnegie Mellon and Port of Pittsburgh and USCG working overall architecture of total information flow: tows-locks, companies-WCSC, -terminals-towboats
- Partnership between industries, Corps, & service providers
- 2 day workshop in Pittsburgh in January to engage industry, identify data ownership, eliminate duplication

4. Great Lakes New Cargoes New Vessels Study – Dr. Alex Metcalf (Transportation Economics Management System, TEMS)

- Opportunities for containerized and neo-bulk cargo

- Set-up an equilibrium model to determine GLSLS share of this future traffic, and assess value of water technology vs. rail and truck
- Study area defined as - NE quadrant of North America: Nova Scotia to Quebec Canada , 50 – 60 percent of population
- USDOT, Transport Canada, US & Canadian Gateways: 200 shipper surveys to determine carrier preference
- Forecasts: 20 percent growth by 2010, regional volume doubles by 2025, \$50 – \$100 billion trade in GL area, chance for GLSLS to participate
- Water option has capacity; rail/highway capacity limited
- Different water technology options: GL 20 knot containerships, fast freighters, Ro-Ro vs. Lo-Lo container type vessel service - different types of services by 2015
- Economic potential for new land-water western routes and new all-water eastern routes
- COB currently not competitive; recommends similar analysis for inland navigation – much standby capacity, potential for incoming Mississippi container traffic

5. **WRDA, IWUB News – David Grier (IWR)**

- WRDA 2006: Congress did not pass – will re-introduce in 2007 with issues of peer review and oversight, Corps reform, and ear marking for environmental infrastructure projects
- IWUB meeting in Pittsburgh 16 – 17 Nov: toured Montgomery dam and Emsworth rehab work.
- Presentation to be posted on User Board’s website:
<http://www.iwr.usace.army.mil/usersboard/>
- Inland Waterways trust fund revenue shortfall – low revenue \$80 Million – lowest revenue since 1993 (when lower tax rate), need true reporting of tax revenue, buying power of trust fund reduced from \$400 mil to \$250 mil, based on expenditures, buying power will reach \$0 by 2009
- How to increase revenues without raising tax – lockage fees? Congestion fees?
- OMB requested a point paper on the shortfall and what to do about it - ASA office (Mark Mugler) and HQ (Rich Worthington) will prepare, due next week

6. **TVA Work/Issues Status – Chris Dager (TVA)**

- UM/IWW Rate Study - 07 Feb draft, mid march – review, covers current NED rates for water vs. land option for grain movements and shipper savings based on 2004 rates; rail capacity and water compelled rate information as well.
- Ohio River Main traditional NED rate study plus short term closure (15, 30, 45, 60 days) rates – industry options during unscheduled closures such as rerouting traffic or depleting inventories.
- Pittsburgh District externality study: long term closures – rerouting to land resulting in increased delay, accidents, pollution, pavement damage, etc.
- TVA has found some changes in traffic patterns that will affect future traffic forecasts i.e. Minneapolis more empty downbound barges because upbound rate is higher
- TVA explains lower trust fund revenues from under reporting: towboat operators fail to report trips, movements, tax on fuel (Audits)
- GLSLS recon study 5 yrs ago: movement of empty vs. loaded containers – repositioning of empty containers add more value and have bigger potential

- Walker happy to see that the MARAD New Cargo New Vessels Study found potential for containers on the Great Lakes much like the TVA study did during the GLSLS recon study 5-years ago

7. HQ Review Issues – Rebecca Moyer (HQ)

- Even without WRDA the Office of Water Project Review will move ahead with about 9 Chief's Reports to be signed by Dec 31
- McAlpine lock affected by WRDA not being passed: Original project cost underestimated from the get go: authorized cost actually \$430 Mil, project cost increase of 50% , not from inflation alone
- SW Arkansas - Red River Study – benefit for reduction of overland traffic congestion, flood damage reduction, NED benefits to justify projects, infeasible B/C ratio, ASA office & HQ are receptive to requests for exceptions to current policy which prohibits counting these benefits towards project justification
- Jay Warren retiring Jan 1 – Retirement reception on Dec 15 at HQ
- Frechione warned of more PACRs this FY – mentioning project cost increases for Lower Mon, Emsworth and Olmsted

8. SPA Flood Damage Reduction Project and GLLAPOM, Jon Brown (LRB)

- Albuquerque TDY – structural integrity of existing FDR project and economic analysis of flood plain - 300 K parcels with damageable property: damage assessment for each structure in floodplain (based on elevation)
- Estimated expected damages to the city in the absence of the levee
- Baseline value of levee – Floodplain mapped using GIS
- Great Lakes Level Analysis of Ports Operations and Maintenance – estimates transportation cost increases from shoaling due to reduced maintenance dredging; used to develop budget metrics

9. Upcoming Events/Conferences/Meetings Dave Weekly (LRH)

- Great Lakes Stakeholder meeting Dec 7, 2006
- MARC 2000 December 7&8, 2006
- PCX telecon with Gen. Riley Jan 10, 2007
- TRB meeting, 21 – 24 Jan 2007 Washington, D.C.
- Inland Waterway Conference, 5-9 March 2007 Cincinnati
- Waterway Council Inc. (WCI) 25-28 March 2007 Washington, D.C.
- Planning Associates Inland Navigation Course 23-27 April 2007 Huntington

10. PCXIN Director's Issue Tab Brown (LRD)

- Continue outreach work with the CX
- Strategic planning session navigation 5 yr plan
- Mainstem study way ahead uncertain – wrap-up
- Challenges – budget, new congress, WRDA, engage stakeholders, value of navigation system, strategy for moving forward without WRDA, workload estimates
- Workshop on metrics for budget 09 January in Cleveland
- Info sharing, Nav website, other venues to exchange info, PCXIN website: upload MFR from previous Inland Nav Cop meetings & publish PCXIN member roster on website.

LIST OF ATTENDEES

NAME

Tab Brown, LRD
Dave Weekly, LRH
Dale Kelz, LRH
Wes Walker, LRH
Mark Hammond, LRH
Rusty Nida, LRH
Sharon Weekley, LRH
Dick Ash, LRH
Virgil Langdon, LRH
Tim Smith, LRH-NC
Jennifer Dickerson, TVA
Chris Dager, TVA
Joe Hramatz, SWG
Jim Fawcett, SWG
Johnny Rozsypal, SWG
Mark Lisney, IWR
Dave Lichy, IWR
David Grier, IWR
Craig Newcomb, NWW
Jon Brown, LRB
Roger Haberly, LRB
Bill Frechione, LRP
Becky Moyer, HQ
Randy Curlee, ORNL
Alex Metcalf, TEMS
Steve Jones, MVD
Ben Lin, MARAD