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**COMMENTS OF THE AMERICAN FUEL & PETROCHEMICAL MANUFACTURERS ON
THE U.S. ARMY CORPS OF ENGINEERS' "GREAT LAKES AND MISSISSIPPI RIVER
INTERBASIN STUDY – BRANDON ROAD REPORT"**

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I. INTRODUCTION

The American Fuel & Petrochemical Manufacturers (“AFPM”) welcomes the opportunity to comment on the United States Army Corp of Engineers’ (“USACE”) “Great Lakes and Mississippi River Interbasin Study – Brandon Road Report Draft Integrated Feasibility Study and Environment Impact Statement – Will County, Illinois” (the “Draft Report”).¹ The Draft Report is a study to evaluate options and technologies around the Brandon Road Lock and Dam near Joliet, Illinois. The options and technologies are designed to prevent upstream transfer of Aquatic Nuisance Species (“ANS”)² from the Mississippi River Basin into the Great Lakes Basin through the Chicago Area Waterway System (“CAWS”). The Draft Report builds on the Great Lakes and Mississippi River Interbasin Study (“GLMRIS Study”) released in January 2014.³ The GLMRIS Study describes alternatives to prevent aquatic interbasin transfer of ANS between the Great Lakes and Mississippi River watersheds.

USACE administers multiple regulatory programs that impact all facets of the downstream and midstream petroleum and petrochemical sectors, including programs that are integral to the successful construction and operation of our nation’s pipeline infrastructure, refineries, ports, and waterways. These assets are vitally important to AFPM member companies and the American public.

II. AFPM’S INTEREST IN USACE’S REQUEST FOR COMMENT

AFPM is a national trade association representing nearly 400 companies that encompass virtually all U.S. refining and petrochemical manufacturing capacity. AFPM’s member companies produce the gasoline, diesel, and jet fuel that drive the modern economy, as well as the chemical building blocks that are used to make the millions of products that make modern life possible—from clothing to life-saving medical equipment and smartphones.

To produce these essential goods, AFPM member companies depend upon an uninterrupted, affordable supply of crude oil as a feedstock for the transportation fuels and petrochemicals they manufacture. Furthermore, reliable inland waterways are essential for AFPM’s member companies to safely and efficiently move their products both domestically for U.S. consumer use and internationally for export.

According to the U.S. Department of Transportation, energy commodities such as petroleum, gasoline, and fuel oils represented 458 million tons or 32 percent of all waterborne tonnage in 2015.⁴ Therefore, AFPM’s member companies are acutely interested in maritime infrastructure development and projects with the potential to impact inland waterways. This

¹ See “Great Lakes and Mississippi River Interbasin Study – Brandon Road Draft Integrated Feasibility Study and Environment Impact Statement – Will County, Illinois,” published August 2017, http://glmr.is.anl.gov/documents/docs/brandon-rd/GLMRIS-BR_Draft_Report.pdf.

² Aquatic nuisance species are nonindigenous species that threaten the diversity or abundance of native species or the ecological stability of infested waters, or commercial, agricultural, aquacultural or recreational activities dependent on such waters. See <http://glmr.is.anl.gov/species/>.

³ See “Great Lakes and Mississippi River Interbasin Study,” published January 2014, http://glmr.is.anl.gov/documents/docs/glmrisreport/GLMRIS_Report.pdf.

⁴ See 2016 Freight Quick Facts Report, <https://ops.fhwa.dot.gov/publications/fhwahop16083/ch1.htm#ch1.10>.

would include projects designed to prevent aquatic interbasin transfer of ANS like the GLMRIS Study and Draft Report.

Failing to maintain the “maritime highway” and other maritime infrastructure domestically would limit U.S. manufacturing and, therefore, international trade. The Mississippi River and the Great Lakes are essential linchpins for much of the inland maritime transportation system in the United States (see Appendix - GLMRIS Study Area Map). The USACE GLMRIS Study directly affects AFPM member companies with operations in the Great Lakes and Mississippi River Interbasin, but also those in the much larger study area. In addition, AFPM members that do not have operations in the impacted region are also concerned with the process USACE employs to analyze and inform maritime infrastructure development and projects with the potential to impact inland waterways.

While AFPM supports the isolation and eradication of Asian carp and other ANS in the Great Lakes and Mississippi River Interbasin, USACE must do so in a safe and cost-effective manner. The Draft Report proposes expensive, large-scale projects utilizing unproven technologies that offer no guarantee against the spread of ANS. Further, should some of the proposed solutions be implemented, they could permanently disrupt commercial vessels that transport cargoes vital to the national economy. AFPM appreciates the opportunity to provide comments on USACE’s Draft Report.

III. BACKGROUND

The Draft Report is a feasibility study that evaluates measures designed to prevent upstream transfer of ANS from the Mississippi River Basin into the Great Lakes Basin through the CAWS.⁵ According to USACE, the Draft Report was designed to prevent the upstream transfer of ANS while minimizing impacts to existing waterway uses and users. The technologies proposed in the Draft Report to prevent upstream transfer of ANS can be separated into two categories: non-structural control measures and structural control measures. Non-structural controls do not require the construction of a permanent feature in the waterway, while structural controls require the construction of a permanent feature in the waterway.⁶ Structural measures include complex noise, an electric dispersal barrier, an engineered channel, a flushing lock, lock closure, and water jets. Boat launches and a downstream mooring area are supporting measures for structural measures.

The Draft Report concluded integrated ANS controls (*i.e.*, a mixture of structural and non-structural measures) within the waterway system (*e.g.*, at Brandon Road Lock and Dam and at the Chicago Sanitary and Ship Canal Electric Barrier) would maximize the effectiveness of preventing upstream transfer of swimming and floating Mississippi River Basin ANS into the Great Lakes Basin while maintaining navigation and minimizing impacts.

AFPM acknowledges that invasive ANS negatively impact our nation’s waterways. While the Draft Report offers structural “solutions” to prevent the spread of ANS to the Great

⁵ More than 100 miles of rivers and canals form the CAWS, which connects Lake Michigan with the Mississippi River via the Lower Des Plaines and Illinois Rivers.

⁶ See Structural and Non-Structural Control Measures, <http://glmr.is.anl.gov/brandon-rd/>.

Lakes, current federal, state, and local government programs are achieving success in meeting long-term goals of isolating and eradicating ANS. For example, federal funding from the Asian Carp Regional Coordinating Committee has enabled the State Departments of Natural Resources to halt the Asian carp breeding population for the past 26 years, reducing the breeding population by 68 percent in the two most northern pools of the Illinois River.⁷ These current programs are examples of successful programs that focus on non-structural proposals to address the issue in lieu of structural proposals that could be ineffective and cause commercial vessel traffic congestion and disruption (*i.e.*, closure of locks for construction / maintenance or reduction in lock capacity).

AFPM members believe that a more thorough understanding of the scope, cost, benefits, effectiveness, and impact of the Draft Report, including integrated ANS controls, is needed. Such an analysis would demonstrate the risks associated with a structural approach, and the comparative effectiveness of structural and non-structural solutions. The remainder of these comments provide a high-level overview of some of the additional research that must be done before finalizing the Draft Report.

IV. IMPACT ON INLAND MARITIME TRANSPORTATION

Proposals in the Draft Report, if authorized in its current form, would have wide-ranging ramifications throughout the inland waterway system from the Great Lakes to the Gulf Coast. These proposals would be expensive, and would utilize untested technologies that offer no guarantee against the spread of Asian carp and other ANS. Below are some specific examples on the potential negative impacts of structural ANS controls. AFPM cautions USACE not to recommend the installation of structural ANS controls without first understanding their effectiveness and impacts on commercial shipping.

CAWS, located above Brandon Road, is the sole marine transportation link for \$16 billion in vital commodities and products that move between the Great Lakes and the Mississippi River system annually. Barges carry almost 30 million tons of cargo through the CAWS each year, including crude, gasoline, diesel, jet fuel, and petrochemical products that are essential to the regional and national economies.⁸ Disrupting this link with structural ANS controls would be devastating for the thousands of people, from Great lakes to Gulf Coast, that rely on the inland waterway system for their livelihoods.

The proposals in the Draft Report could result in a complete closure of the lock system for an estimated 40 days of construction. Further, continued maintenance would result in frequent closures after construction is completed. It is also estimated that structural control measures could result in permanent reduction in lock capacity and increase average lockage time. The potential impacts to the CAWS would negatively affect the livelihood of terminal operators and business owners. The proposals in the Draft Report also would cause congestion and delays

⁷ See “2016 Asian Carp Action Plan April 2016,” page 8, published April 2016, <http://www.asiancarp.us/documents/2016AsianCarpActionPlanHandout.pdf>.

⁸ See Schwieterman, J., “An Analysis of the Economic Effects of Terminating Operations at the Chicago River Controlling Works and O’Brien Locks on the Chicago Waterway System,” pages 3-4, published April 7, 2010, <https://las.depaul.edu/centers-and-institutes/chaddick-institute-for-metropolitan-development/Documents/DePaul%20University%20Study%20on%20Terminating%20Lock%20Operations.pdf>.

in commercial maritime transportation throughout the Great Lakes and Mississippi River Interbasin. Congestion and reliability issues resulting from the proposals in the Draft Report would likely force shippers to seek other modes of transportation to move their commodities. This could result in unintended safety and economic impacts, as freight is diverted to highways and railroads.

While USACE attempted to quantify the scope, cost, and impact of the proposals, AFPM members are concerned this analysis is not sufficiently comprehensive, underestimates actual costs, and does not adequately assess the effectiveness of structural control measures. In total, USACE estimates the total project cost for the proposals in the Draft Report at \$275 million.⁹ In addition, USACE estimates the cost of operation and maintenance to be \$19.5 million annually, which is considerably more than the USACE currently spends on the entire Illinois Waterway. While the Draft Report attempts to quantify the costs of specific structural ANS controls, it is largely silent on the economic consequences to third parties and omits the cost of the engineered channel segment of the plan, its most extensive, and likely costly, element. Moreover, the Draft Report does not discuss the relative effectiveness of these technologies, rendering the assessment of benefits speculative at best.

Lastly, a non-federal cost share sponsor¹⁰ was not identified for this project. This lack of a sponsor directly contradicts Section 1135 of the Water Resources Development Act, enacted by Congress in 1986.¹¹ If authorized in its current form, the proposals in the Draft Report will constrain federal resources, especially at a time when Congress recognized the need to recapitalize the nation's inland waterways infrastructure. AFPM members are concerned the current USACE analysis of impacts is not sufficient or that it accurately describes the costs and benefits of the proposal. Despite the lack of a sufficient cost-benefit analysis, the benefits that were identified by the Draft Report do not justify the commercial transportation disruption that would be incurred by implementing many of the structural control measures.

V. CONCLUSION

USACE's role in the safe and efficient movement of energy products and development of maritime transportation infrastructure is essential. AFPM member companies support USACE efforts to isolate and eliminate ANS. That said, in doing so, USACE must fully evaluate the scope, cost, and impact of integrated ANS controls. AFPM believes this full evaluation should inform the selected approach and consider non-structural cost-effective approaches when appropriate. AFPM also urges USACE to avoid implementing structural controls without supporting evidence of the effectiveness of those structural measures and a full understanding of the secondary and tertiary costs associated with their implementation. AFPM members believe

⁹ See Table ES-1 on page ES-17 of "Great Lakes and Mississippi River Interbasin Study," http://glmr.is.anl.gov/documents/docs/brandon-rd/GLMRIS-BR_Draft_Report.pdf.

¹⁰ A Non-Federal cost share sponsor must be a public agency or national non-profit organization capable of undertaking future requirements for operation, maintenance, repair, replacement and rehabilitation (OMRR&R), or may be any non-profit organization if there are no future requirements for OMRR&R. All potential sponsors must be able to provide any required lands, easements, rights-of-way, relocations, and dredged or excavated material disposal areas (LERRD).

¹¹ See <http://www.nae.usace.army.mil/Missions/Public-Services/Continuing-Authorities-Program/Section-1135/>.

that the many structural measures in the study will negatively impact maritime traffic in the region without a corresponding benefit related to ANS eradication.

AFPM thanks USACE for the opportunity to provide input on this important project. Please contact me at (202) 552-4374 or rbenedict@afpm.org if you wish to discuss these issues further.

Sincerely,

A handwritten signature in blue ink that reads "Rob Benedict". The signature is written in a cursive style with a large initial "R" and "B".

Rob Benedict
Director, Transportation and Infrastructure

VI. APPENDIX: GREAT LAKES MISSISSIPPI RIVER INTERBASIN STUDY AREA MAP

