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Thomas A. Allegretti
President & CEO

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U.S. Department of Transportation
1200 New Jersey Avenue, S.E.
Washington, DC 20590

RE: Draft National Freight Strategic Plan
(Docket No. DOT-OST-2015-0248)

Dear Sir or Madam:

The American Waterways Operators is the national trade association for the U.S. tugboat, towboat and barge industry. AWO's members account for approximately 80 percent of the barge tonnage and two-thirds of the towing vessel horsepower in this critical industry segment, moving cargoes essential to the American economy on the inland rivers, the Atlantic, Pacific and Gulf coasts, and the Great Lakes. Tugboats also provide essential services, including shipdocking, tanker escort and bunkering, in ports and harbors around the country. On behalf of AWO's members, thank you for the opportunity to comment on the draft National Freight Strategic Plan (NFSP). We appreciate the work of the Department of Transportation in developing the NFSP and offer several suggestions in these comments to refine and strengthen the plan.

First, as the draft plan notes, overall demand for freight transportation in the United States is expected to grow markedly over the next 30 years to support economic and population growth. Maritime transportation has an important role to play in meeting that demand. Although the current NFSP draft does acknowledge the importance of domestic maritime transportation, the document would benefit from a more fulsome emphasis on the benefits of marine transportation, including barge transportation on the inland and coastal waterways. There are intrinsic advantages to waterborne transportation that position it to play a larger role in our nation's freight transportation network, including the best safety record and the smallest environmental footprint among surface transportation modes, as well as infrastructure capacity and economies of scale that offer an important opportunity to reduce congestion on U.S. roads and rails. Freight transportation is and will always be multi-modal, but a greater emphasis on the maritime mode, sometimes overlooked as part of the larger logistical supply chain, would be beneficial given the need to increase capacity to meet growing demand for freight transportation in the future.

Second, the draft plan should acknowledge the role of the Jones Act in supporting the health and reliability of the 40,000-vessel strong domestic maritime fleet, as well as the benefits of the law to U.S. economic, homeland and national security. The Jones Act requires that vessels moving cargo between ports and places in the U.S. be owned, crewed, and built by American citizens. President Obama, Secretary Foxx and Maritime Administrator Jaenichen have been vocal supporters of this essential law and AWO recommends that the draft NFSP explicitly acknowledge the criticality of the Jones Act to our nation's domestic maritime transportation network, and, by extension, to safe, efficient, and secure transportation of freight within the U.S. overall.

Third, the U.S. must ensure a modern, well-maintained inland waterways infrastructure in order to maintain and facilitate growth in maritime transportation. The draft NFSP aptly describes the current state of inland waterways infrastructure and funding under the Water Resources Reform and Development Act (WRRDA) of 2014. The draft also notes the 2014 increase in the Inland Waterways Fuel Tax, which was supported by AWO member companies subject to the tax in recognition of the need for infrastructure modernization. The Inland Waterways Trust Fund, through which barge operators pay 50 percent of the cost of construction and major rehabilitation of locks and dams, is, in effect, a public-private partnership (P3). While the draft NFSP highlights P3s as a method to accelerate infrastructure investment, we urge caution when considering the applicability of P3s to commercial navigation. AWO is strongly opposed to P3s for waterways projects that would result in lockage fees or tolls on vessel operators who already directly contribute to infrastructure investment through fuel taxes. Double-taxation of this sort ultimately stifles growth and could do severe damage to our nation's transportation system by making waterways transportation non-competitive and forcing additional cargo onto overcrowded roads and rails. The final NFSP should acknowledge the inherent drawbacks of tolls for commercial navigation, especially considering the small pool of users subject to the additional costs.

Thank you for again for the opportunity to comment on the draft NFSP. AWO appreciates the Department of Transportation's ongoing work ensure the safe, reliable and efficient growth of the American freight network, and we stand ready to work with DOT to grow maritime transportation's share of the national freight distribution network. We would be pleased to discuss these comments further or to provide additional information as DOT sees fit.

Sincerely,



Thomas A. Allegretti
President & CEO