



801 North Quincy Street
Suite 200
Arlington, VA 22203

PHONE: 703.841.9300
EMAIL: jcarpenter@americanwaterways.com

Jennifer A. Carpenter
President & CEO

March 3, 2020

Ms. Jannine Miller
Deputy Assistant Secretary for Policy
U.S. Department of Transportation
1200 New Jersey Avenue, S.E.
Washington, DC 20590

RE: National Freight Strategic Plan
Request for Information (Docket
No. DOT-OST-2019-0184)

Dear Ms. Miller:

The American Waterways Operators is the national trade association for the tugboat, towboat, and barge industry. AWO's more than 300 member companies own and operate barges and towing vessels on the U.S. inland and intracoastal waterways; the Atlantic, Pacific and Gulf coasts; and the Great Lakes. Our industry's 5,500 towing vessels and 31,000 barges comprise the largest segment of the U.S.-flag domestic fleet. The tugboat, towboat and barge industry provides family-wage jobs and ladders of career opportunity for more than 50,000 Americans, including 38,000 positions as mariners on board our vessels who safely, securely, and efficiently move more than 760 million tons of cargo critical to the U.S. economy.

Thank you for the opportunity to comment on the Department of Transportation's National Freight Strategic Plan (NFSP). We appreciate the deliberative approach DOT is taking in the development of the NFSP. We offer these comments to strengthen the NFSP and enhance the future of multimodal shipping in the U.S.

Freight tonnage is expected to rise sharply in the years ahead. By DOT's own estimates, there could be an increase of 44% in the coming decades¹. While such an increase bodes well for our economy, it promises to strain an already taxed surface transportation system, which could lead to a severe loss of economic efficiency. Key challenges now – and in the years ahead – are burdensome congestion, aging infrastructure and limited capacity to utilize the different modes of transportation. The NFSP should reflect these challenges by setting goals to improve the nation's infrastructure to meet growing demand, enhance the safety and efficiency of every ton-mile and maximize the capacity of each transportation mode. Barge transportation is the

¹ 84 *Federal Register* 71529

cleanest, safest and most efficient form of freight transportation², and an effective means of keeping cargo off of our overcrowded road and rail networks. With infrastructure and intermodal support from DOT through the strategies outlined in the NFSP, the full economic, safety and environmental benefits of freight transportation on our nation's waterways can be realized.

To fully utilize our vast network of inland and coastal waterways, bottlenecks must be removed. Aging infrastructure is a perennial barrier to efficient transportation; on our inland waterways, where the average age of navigation infrastructure is 75 years, this problem is particularly acute. Many integral features have suffered from age and environmental stresses without adequate funding for maintenance and modernization. Lock closures and undersized lock chambers are often a literal bottleneck for shippers. The now closed Locks 52 and 53 on the Ohio River frequently caused delays of 20 hours or more for transiting barges. Now, their replacement, the Olmsted Locks and Dam, has decreased the transit time to less than an hour. Many older locks are unable to accommodate modern tow sizes; therefore, valuable time and fuel are wasted breaking apart tows to navigate the inadequate lock chambers. Furthermore, when a lock suffers an unexpected or extended outage, the costs can be significant. A single extended lock closure can cost shippers well in excess of \$1 billion³. These events can have the unintended and undesirable consequence of shifting freight onto congested highways and railways.

AWO knows that decisions about inland waterways infrastructure funding, project prioritization and maintenance are made by the U.S. Army Corps of Engineers (USACE), under authorizations and appropriations from Congress. We are also well aware that the USACE is balancing competing demands and limited resources. We encourage DOT to support the USACE in order to achieve our shared goal of a safe, reliable and efficient inland waterways transportation system.

One way in which DOT can encourage the efficient utilization of our waterways is to devote more resources to the Maritime Administration's Marine Highway Program (MHP). Previous investments in the MHP showcase the economic benefits of promoting maritime transportation. With a modest MARAD grant of less than \$1 million, barge service was established between Rhode Island and New York. The service is removing 83,200 containers and 14.9 million vehicular miles from the region's heavily congested highways annually. Continued and additional investment in the MHP will further support the movement of cargo by water and help our nation meet its congestion challenges by growing a healthy short sea transportation market.

DOT has also indicated interest in understanding barriers to freight efficiency and should be aware of the profound inefficiencies to maritime shipping caused when a patchwork of overlapping or conflicting state regulations is allowed to take hold. The maritime freight transportation system is, by its very nature, a system of interstate commerce. As such, federal

² *Economic Contributions of the US Tugboat, Towboat, and Barge Industry*. 2017. PricewaterhouseCoopers. p. 30.

³ *The Impacts of Unscheduled Lock Outages*. 2017. U.S. Department of Transportation, Maritime Administration and the National Waterways Foundation. pp. 16-19.

primacy in the regulation of commercial vessel operations is not only constitutionally mandated; it is also vital to the cost-effective flow of goods along our nation's waterways. Forcing vessel operators to navigate a multitude of differing state regulations can lead to confusion, increased costs, and delayed shipments. A consistent federal regulatory framework, properly enforced at the federal level, is necessary to access the full benefits of efficient maritime freight transportation. As an agency mission-driven to support freight efficiency, we encourage DOT to work with other federal agencies to resolve inconsistencies and promote federal primacy in the regulation of commercial vessels in interstate commerce.

Again, AWO urges DOT to ensure the NFSP includes a significant role for barge transportation in its strategies to shape the future of safe and efficient freight movement. As the safest, most environmentally friendly and most cost-effective mode of freight transportation, the barge industry offers natural advantages on which the NFSP can build. The NFSP should support America's waterways to realize the full benefits of maritime transportation and to further increase its efficiencies.

Thank you again for the opportunity to comment on the National Freight Strategic Plan. We would be pleased to answer any questions or provide further information to assist the Department of Transportation with the development of this plan.

Sincerely,

A handwritten signature in cursive script that reads "Jennifer Carpenter".

Jennifer Carpenter
President & CEO