

Unlocking Potential

The locks and dams that make the Illinois and Mississippi Rivers usable are crumbling, rendering Illinois farmers and other businesses inefficient and uncompetitive. Help us unlock our greatest potential.

U.S. IS FALLING BEHIND

HOW WE PLAN TO ENCOURAGE REINVESTMENT

WHAT WON'T WORK; WHAT WILL



IL Corn
ilcorn.org

A publication of your Illinois Corn Growers Association and Illinois Corn Marketing Board.

Tons of CO2 per Million Ton-Miles



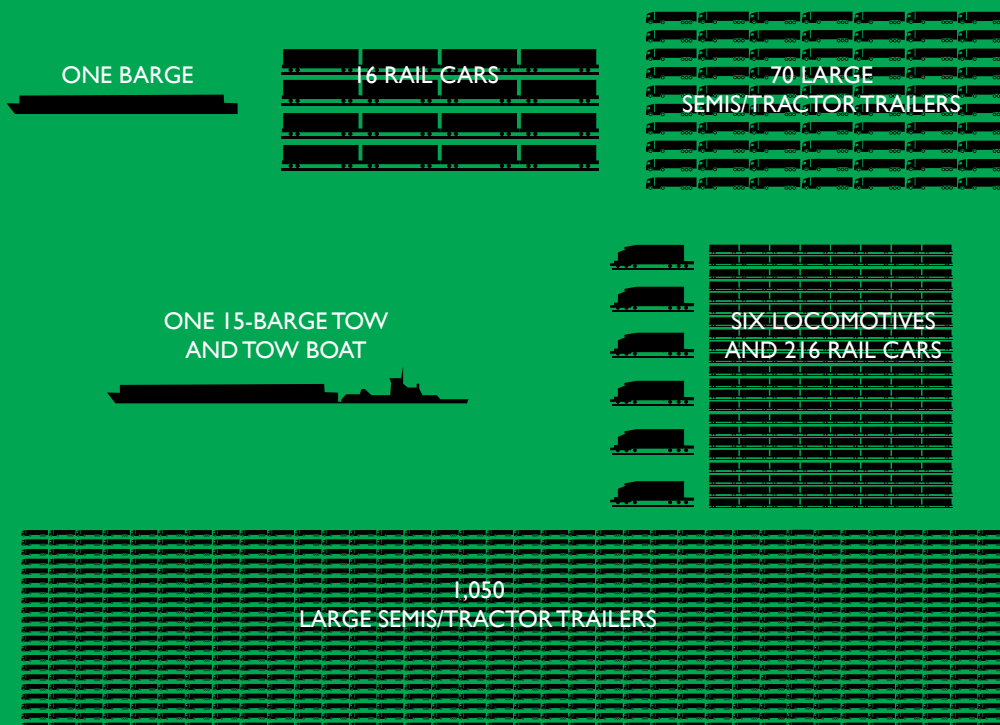
Our inland waterways system is 12,000 miles of commercially navigable waterways that move commerce to and from 38 states, serve industrial and agricultural centers, and facilitate imports and exports at gateway ports on the Gulf Coast.

For farmers, the inland waterways barge transportation moves their crops to shipping ports and the global market. Family farmers thrive from the transportation advantage our waterways provide. America's agriculture exports boost the economy, benefiting all of us.

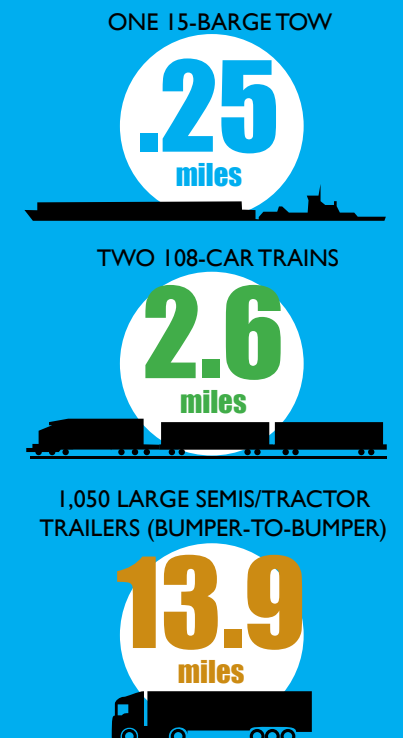
Unlocking America's Potential

And if that wasn't enough, there's a significant environmental benefit too. Waterways-transported cargo is equivalent to more than 49 million truck trips annually that would have to travel on our nation's roadways. Diverting current waterways freight traffic to typical rural interstates would add more than 1,000 trucks to the current 875 trucks per day, per lane.

Equivalent Units



Equivalent Lengths



Cargo Capacity

1

ONE BARGE
1,750 TON
58,333 BUSHEL
1,555,000 GALLONS

15

ONE 15-BARGE TOW
26,250 TON
874,995 BUSHEL
23,325,000 GALLONS

1

ONE RAIL CAR
110 TON
4,000 BUSHEL
33,870 GALLONS

100

ONE 108-CAR TRAIN
11,880 TON
400,000 BUSHEL
3,387,000 GALLONS



ONE LARGE SEMI
25 TON
910 BUSHEL
7,865 GALLONS

International Perspectives

Mark Wilson, *ICMB Director, Toulon, IL*



“When I was in Brazil, I met with the Harbor Secretary of the Docks Company of Para State to view the port expansion in this hub city on the Amazon. What I learned during that visit is that Brazil is placing a priority on developing their infrastructure. What I understood is that America must also invest or we will lose an important competitive advantage.”

Justin Durdan, *ICGA Director, Utica, IL*



“The Panama Canal expansion opened in 2016, and I got to see it shortly after. The expanded cargo capacity it now offers gives the U.S. a huge advantage because we can bring more goods to the U.S. faster and more efficiently, but we can also ship more grain out faster and cheaper. With upgraded locks and dams on the Illinois and Mississippi, Illinois farmers could most definitely be more competitive globally considering this Panama Canal opportunity.”

Bill Long, *ICMB Director, Franklin, IL*



“Ukraine boasts the largest port in the Black Sea-Azov region, the Odessa Commercial Port. Ukraine has invested in their infrastructure making delivering cargo by truck, rail, and water possible. This port can accommodate 300-meter-long vessels with cargo carrying capacity up to 100,000 tons.”

The Upper Mississippi River System is the only river system designated by the Congress as a “nationally significant ecosystem and a nationally significant commercial navigation system.”

What is NESP?

The Navigation and Ecosystem Sustainability Program (NESP) is an unprecedented, multi-purpose program allowing the U.S. Army Corps of Engineers to both repair and rebuild the crumbling locks and dams, while also investing in ecosystem improvements along the river systems.

This five-state program includes construction of seven modern, 1,200-foot navigation locks at the most congested lock locations. It also facilitates a healthier economy and river ecosystem AND creates and supports tens of millions of job-hours for skilled construction trades.

NESP represents a collaboration between agriculture, labor, and conservation groups, working together to build new locks and dams on the Illinois and Mississippi Rivers. This level of cooperation among these interests was unheard of before NESP.

300

jobs could be derived from pre-engineering and design funding

6,000

jobs could be created from a \$200 million construction appropriation

1.1

billion tons of increased freight will move on our inland waterways by 2040.

- **Sixty percent** of the nation's export-bound grain is transported on the inland waterways.
- An effective and efficient water transport system is essential to supply American farmers with **fertilizer and inputs** for planting seasons.
- Farmers depend on our waterways infrastructure to **compete and win** against producers outside the USA.
- Ecosystem restoration improvements will allow the ecological system to recount and provide improved water quality and **fish and wildlife habitat**, supporting a \$1.2 billion recreational economy (1990 number).
- The Panama Canal expansion created **opportunities** for increased American trade that U.S. farmers are not poised to capture if channels are not dredged and locks and dams are not functioning.
- More than a **half-million American jobs** depend on operational ports and inland waterways.
- The **waterways are vital** to our manufacturing sectors and to the construction industry.
- American consumers benefit from transportation cost-savings made possible by the inland waterways; for every \$1 invested in our inland waterways, **\$14 is returned** in national benefits.
- NESP will restore valuable **river habitat** such as islands, flowing channels and marshes. Marshes provide floodwater storage, provide infiltration for water supply and process excess nutrients in the water to reduce the cost of water delivered to communities that use the river as a drinking water source.

“In this area, the waterways are the lifeblood, they are the conduit that we have to reach the foreign market. The waterway structure here was built clear back in the 30s. While we have not done anything except minimal maintenance on those waterways since 1930, the rest of the world—our major competition—has put a real emphasis on their infrastructure. So the infrastructure in South America and the black sea region is getting better as billions and billions of dollars are getting poured into that and ours are crumbling.”



—Paul Jeschke, ICMB Director, Mazon, IL

The Funding Required

The Navigation and Ecosystem Sustainability Program was authorized in the Water Resources Development Act of 2007. Congress appropriated \$10 million in June 2018 for major rehabilitation work on the LaGrange Lock and \$1 million in funding for NESP, but the remaining funding needed to build the crumbling locks and dams NESP includes remains unappropriated.

NESP authorization includes \$1.948 billion for the new locks and \$256 million for the small-scale efficiency measures. The authorization also includes \$1.717 billion for a 15-year ecosystem restoration program and \$10.42 million annually for its monitoring.

Partners



OVERCOMING GRIDLOCK

Olmsted Locks and Dam in Olmsted, IL is two 110' x 1200' locks and a dam. At this strategic location near the confluence of the Mississippi, Ohio, Tennessee, and Cumberland Rivers, more commerce passes than any other location on the entire U.S. inland waterway system.

Authorized in 1988, the Olmsted locks and dam project was given congressional authorization for \$775 million and its original feasibility report assumed a seven-year construction and a completion date of 1992. At this time, locks 52 and 53 which Olmsted would replace were 60 years old.

The project would be completed with a cutting edge “in the wet” process that the Corps argued would save \$67 million and have less impact on barge traffic. This process certainly did not speed up construction of the final lock and dam, nor did it save money.

By 2015, with cost overruns growing to more than \$3 billion and a completion date of somewhere between 2022 and 2026, the Corps almost shut the Olmsted project down.

But collaborative efforts between the Inland Waterways User Board, the Corps, and industry, lead to a solution. In 2007 the Corps released a report called “Selected Case Studies,” sharing what worked for some projects and what wasn’t working for others. After 18 more months of collaboration, the Corps finally had a list of recommendations and priorities to work from.

By 2014, the Waterways Council Inc, was also working a funding “fix” in Congress. The historic Water Resources Reform and Development Act (WRRDA) of 2014 changed the federal cost share for Olmsted from 50/50 (50 percent funding from the federal government and 50 percent funding from the fuel tax) to 85/15. This legislation also increased the voluntary fuel tax from 20 cents to 29 cents, a 45 percent increase.

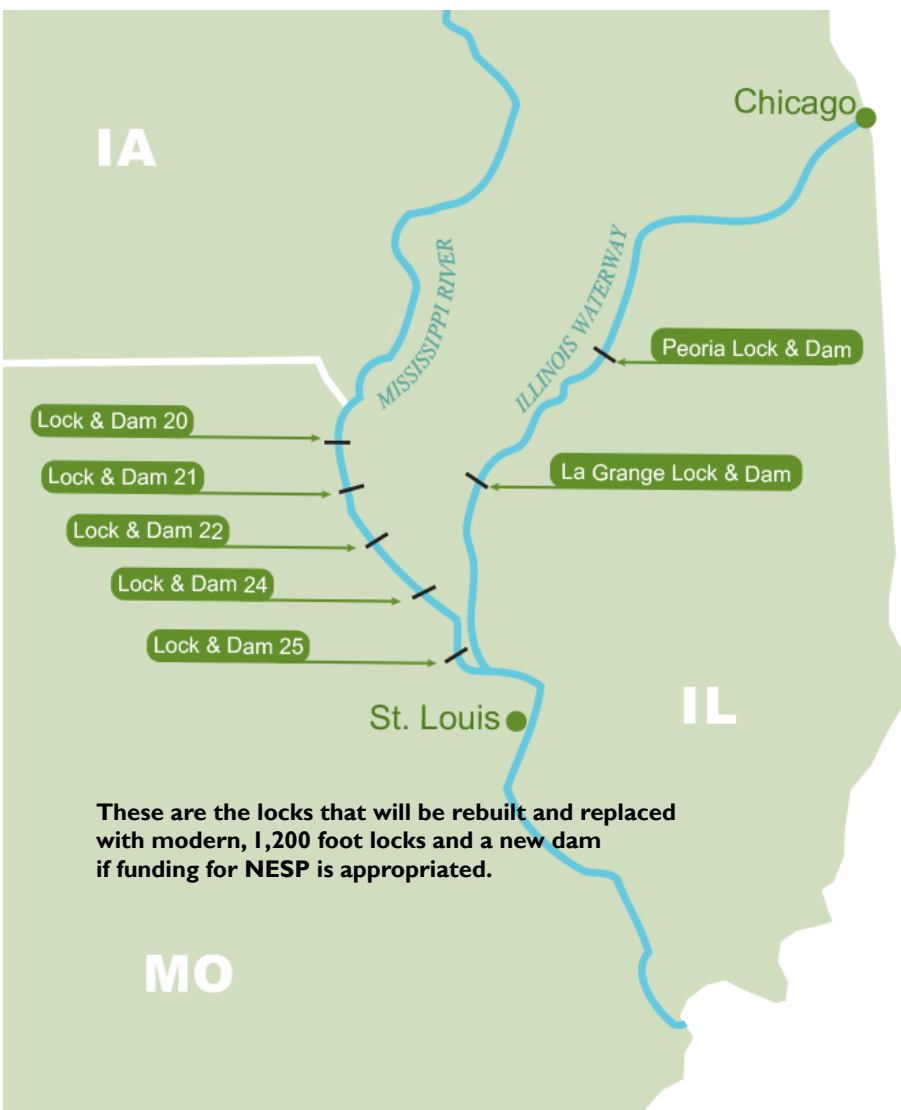
WRRDA 2014 broke the funding logjam and enabled construction to resume on Olmsted.

The ultimate success of this project – which was delivered earlier and cheaper than the adjusted estimates of 2015 – can be credited to much behind-the-scenes work by industry and associations including IL Corn working a bipartisan bill in a partisan Congress.

Olmsted Locks and Dam was opened to barge traffic on August 30, 2018, with a total estimated project cost of \$2.7 billion and 30 years of construction.

\$2.7 billion
total estimated cost
of construction for
Olmsted Locks
and Dam

4,000,000
semi-trucks needed
to transport
the goods that
pass through
Olmsted annually



“Everyone knows the importance of our locks and dams and the economic effects they have on our nation, so when organized labor and the different agricultural associations join forces we can make a strong argument for inland waterways projects in this country.”

—Troy Jones,
St. Louis Carpenters Regional Council

“The Nature Conservancy supports NESP because integrated management is the best way to ensure the Mississippi River will provide for people and river resources. NESP authorization includes improvements for the navigation system and the river ecosystem which allows us to work together with stakeholders to secure a more vibrant river.”

—Gretchen Benjamin,
The Nature Conservancy

ONGOING CHALLENGES TO THE RIVER’S LONG-TERM INTEGRITY

NAVIGATION CHALLENGES

- **Undersized, Single Cell Locks Limit Capacity**—Locks only 600 feet long require tows to pull apart and lock through in two stages. Single chambers constrain traffic to one-way. Both inefficiencies drive up costs and delivery time, hindering the nation’s competitiveness and reducing market opportunities.
- **Gambling on 1930s Infrastructure**—Most locks were constructed between 1907 and 1936, built for yesterday’s needs with a limited intended life span. Investment is needed to accommodate current needs and create future market opportunities.
- **Aging Locks Suffer Increased Closures**—A closure at just one lock shuts down the entire system. Lock outages have increased 700 percent nationally over the past decade. Emergency closures and increased operations and maintenance needs challenge a system that all consumers rely on.

ENVIRONMENTAL CHALLENGES

- **Dramatically Altered Floodplain**—Much of the river ecosystem is still intact, but altered conditions have taken a toll. NESP will restore valuable river habitat such as islands, flowing channels, and marshes.
- **Native Fish Pathways are Blocked**—Dam structures pool river flow, reduce habitat diversity, and limit native fish movement. Levees and channel structures have disconnected the river and its floodplain, further reducing habitat diversity.
- **Excess Nutrient and Sediment Inputs**—River restoration measures planned for NESP will provide additional ecological resilience to help withstand the impacts of nutrients and sediment loading from tributary streams.

LOCKAGE FEES DON'T WORK

Over the years, leaders of our country, the Army Corps of Engineers, and other interest groups have proposed a lockage fee to raise money for needed lock and dam upgrades and repairs.

But lockage fees don't work.

Primarily, the idea of a lockage fee would unfairly tax shippers further north in the system, by forcing them to pay a fee to use each lock along their way to the Gulf. With this sort of structure, future businesses would build south of St. Louis, where they could capture an economic benefit by avoiding the locks all together.

Secondly, a lockage fee places the financial obligation on the 400 companies across the entire national system that utilize the locks. But other system beneficiaries – recreational boaters, commercial fisherman, and those who benefit from hydropower generation, municipal and industrial water supply, flood control and national security – would not contribute, although they utilize and rely upon the lock and dam system.

“A lockage fee could simply put more trucks on the road as companies attempt to avoid the fees on the river and we lose the environmental benefits of river transportation.”

*—Rodney Weinzierl
IL Corn Executive Director*

This idea attempts to build on what is a successful toll model on our country's roadways, but there are fundamental differences. Tolls on highways are one option for motorists; should a motorist not want to pay the toll, he or she has another route available. If the federal government enables private entities to charge waterways tolls, businesses, farmers, producers, and shippers on those waterways would find themselves at a serious competitive disadvantage as they simply cannot take an alternative route with a barge.



**Illinois Corn
Growers Association**

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We can Unlock Potential with your help!

**Text “ilcorn” to 52886
to sign up for
our advocacy platform.**



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