# Panama Canal Stakeholders Working Group
# Beaumont Briefing

SABINE • NECHES
NAVIGATION DISTRICT
*Our commitment runs deep*

# Overview

I. Sabine-Neches Waterway
II. Sabine-Neches Navigation District
III. Channel Improvement Project
IV. Post Panama Canal Expansion

# Sabine-Neches Waterway

## "*America's Energy Gateway*"

"Texas' first Panama Canal ready port."



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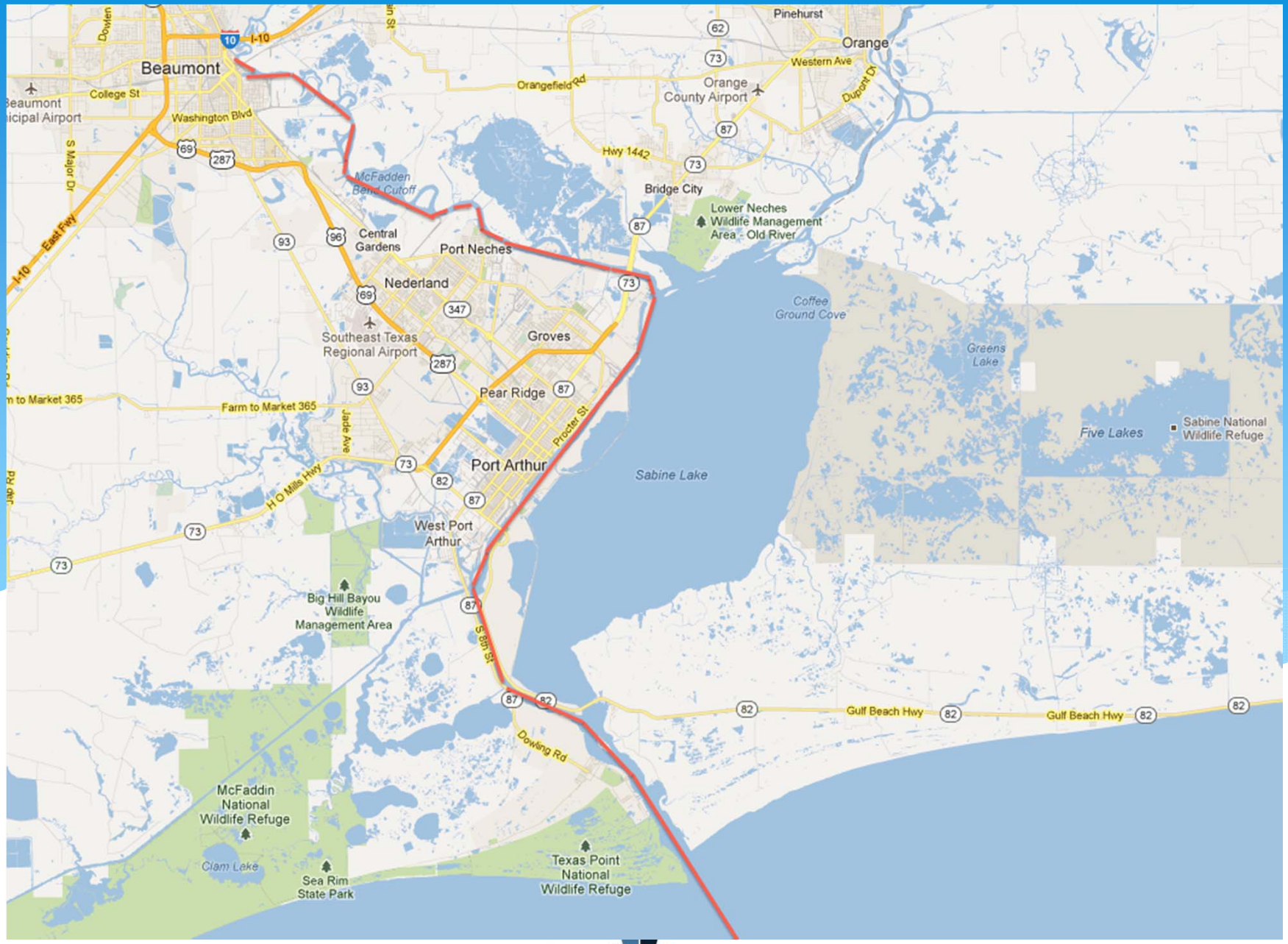
# The Sabine-Neches Waterway

## The ship channel is the engine that drives the economies of southeast Texas and the U.S.

- $3.5 billion economic benefit from ports and terminals annually in Jefferson County; $10 billion when combined with associated sectors
- 106,000 permanent jobs
- #1 U.S. crude oil import port
- #1 commercial military out-load port
- #1 U.S. LNG import port → now Export!
- 13% of America's gasoline is refined daily on the SNWW
- 60% of the nation's commercial jet fuel
- Majority of U.S. military jet fuel




Economy • Environment • Quality of Life

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# Who is SNND?

- political subdivision of the state of Texas.
- governed by 5 appointed commissioners and
- managed by a professional staff.
- USACE non-federal sponsor

**Our vision**: The Sabine-Neches Navigation District works to responsibly manage, advocate for and improve the ship channel and navigable waters of Jefferson County to enhance the economy, environment and quality of life in Southeast Texas.

# History

**SNND has operated in Jefferson County for over 100 years.**

- Formed in 1909 – manager of the Taylor's Bayou Saltwater Barrier.
- Non-Federal Sponsor to the U.S. Army Corps of Engineers for the Sabine-Neches Waterway.

- **SNND has overseen five channel improvement projects**

# Waterway Commerce

- SNND is responsible for maintaining transportation efficiency for continued economic activity
- Energy, petrochemical and military users
- Natural gas, crude oil, gasoline, jet fuel, chemicals, steel, lumber and grain are transported through the waterway
- 71,000 waterborne transits annually
- More than 100,000 tons of cargo transported annually

# Channel Improvement Project



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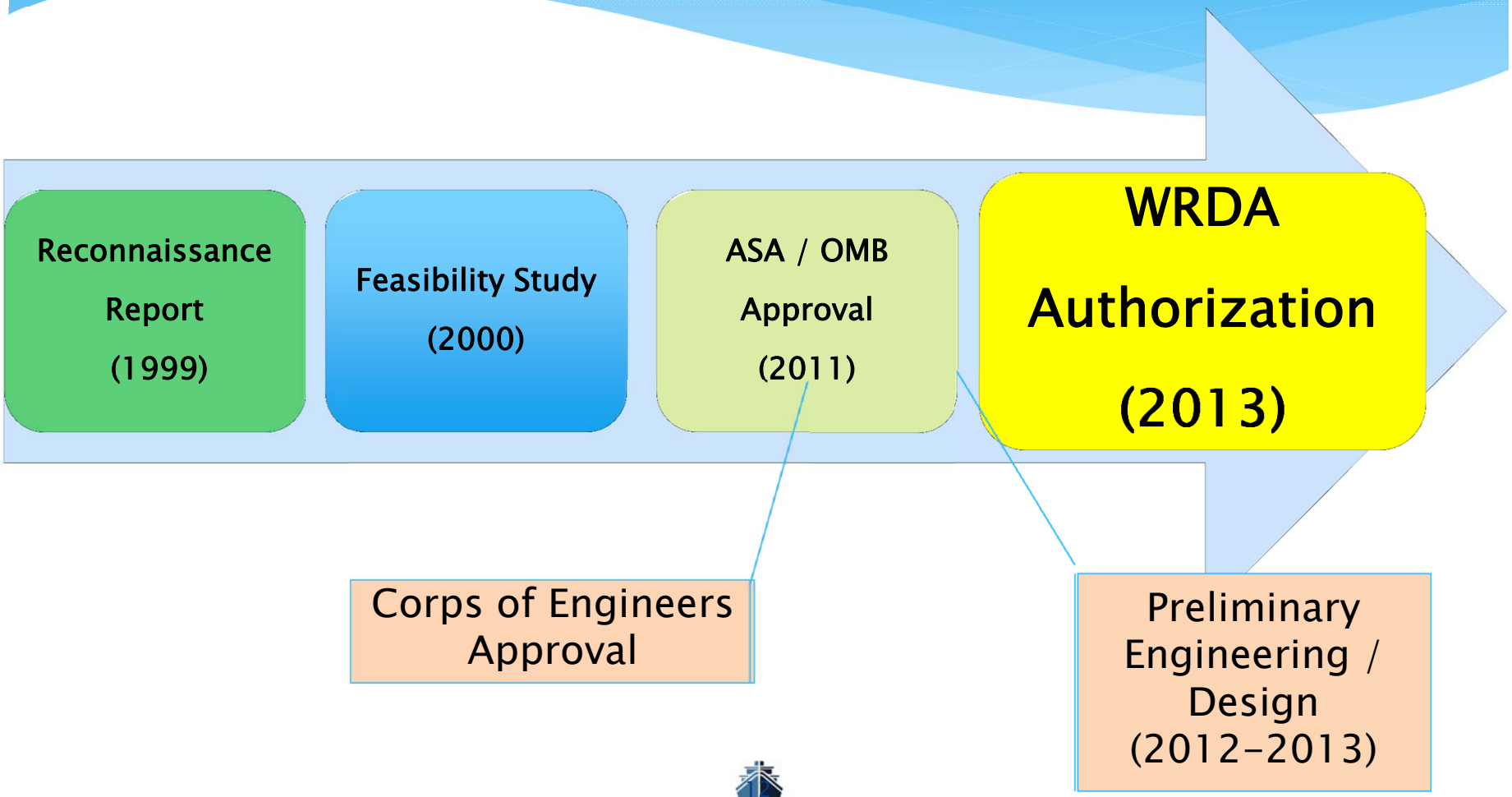
# Channel Improvement Project

- Ship channel has been improved five times
  - 1912, 1922, 1935, 1946, 1962, 2014
  - 1914, 1939, 1942, 1980, ----, 2015
- Last deepened 50 years ago to 40 feet
- New Project to deepen the channel to 48 feet.
  - This would substantially enhance the long-term economic viability of energy-related assets in Texas and the U.S.

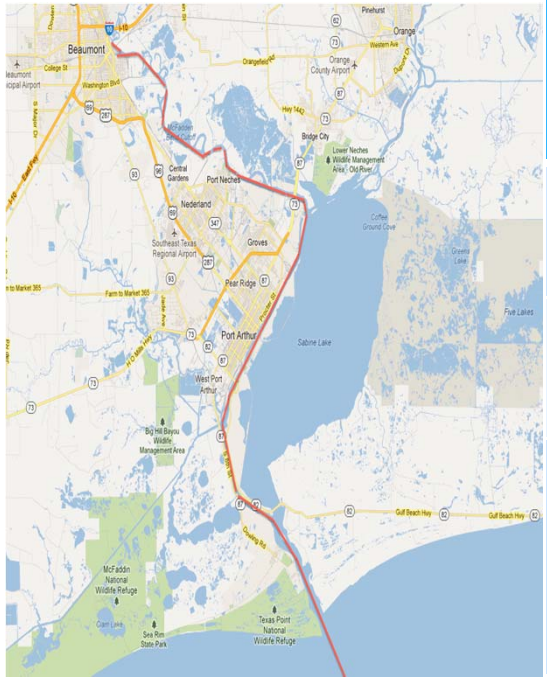
# Channel Improvement Project

- The Channel Improvement Project benefits:
  - Allow larger ships to reach local ports
  - Better manage waterway traffic
  - Give advantage to Texas post-Panama Canal expansion
  - Keep Texas competitive with other U.S. ports
  - Maintain current jobs and create new jobs
  - Increase tax revenue
  - Stimulate economic development

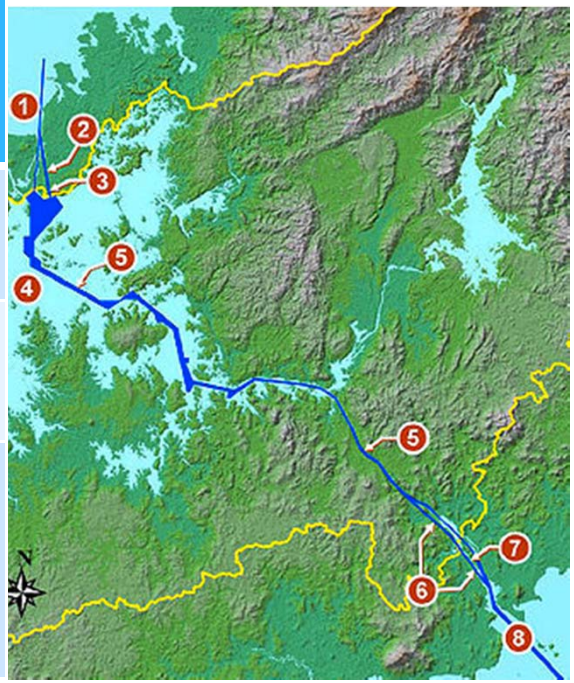
# CIP Status


Reconnaissance Report (1999)
Feasibility Study (2000)
ASA / OMB Approval (2011)
WRDA Authorization (2013)
Corps of Engineers Approval
Preliminary Engineering / Design (2012-2013)

# “Texas’ first Panama Canal ready Port”




| SNWW Channel Improvement | Panama Canal Expansion |
|---|---|
| Length: 1,132’ | Length: 1,200’ |
| Width: 177’ | Width: 160’ |
| Depth: 48’ +2+2=52’ | Depth: 49.9’ |

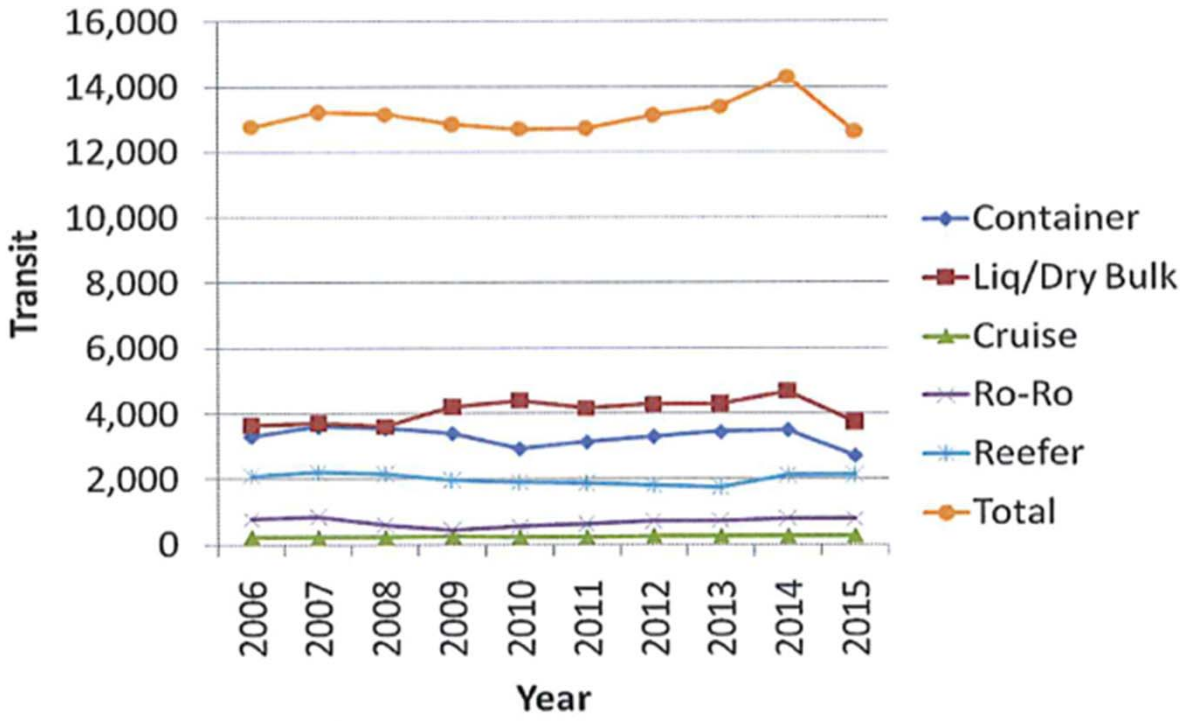


# Cargo Volume Comparison

| | |
|---|---|
| SNWW | 1962 – 68.6M tons<br>2010 – 113M tons |
| Panama Canal | "The next 20 yrs, cargo volume transiting the canal will double" – ACP |

# Cambridge Study

**Figure 3.4 Panama Canal Transits: Total and by Key Ship Type**



# SNWW – Ready for a Post-Panamax World

- Public Law 112-74 (HR2055)
  - address critical need for port & inland waterway modernization
  - Post Panama Canal Expansion

  - Include availability of intermodal access

- USACE Report: U.S. Port & Inland Waterways Modernization
  - "transportation drives demand for crude oil refining"

# SNWW – Ready for a Post-Panamax World

"The expanded [Panama] canal could provide a significant competitive opportunity for U.S. Gulf ports and for U.S. Inland waterways – if we are prepared."

–Gen. Walsh, USACE