

James R. Townley, Jr.
Captain, U.S. Coast Guard (Retired)
12345 NW Old Quarry Rd.
Portland, Oregon 97229
(503) 939-7854
jrtownley@aol.com

I am Jim Townley, a retired Coast Guard Captain who has had the privilege of working and serving with the Columbia Region's maritime industry for more than two decades in support of our region's transportation and international trade networks. I have served in the public sector as the U.S. Coast Guard Captain of the Port whose area of responsibility included the Columbia-Snake-Willamette River System. I have served in the private sector as the Executive Director to the Columbia River Steamship Operators Association, a not for profit association representing the safety, environmental stewardship, and economic interests of all the ship owners, ship operators, and ship agents, and all the major towing and tug assist companies who do business in the Columbia and Willamette River regions.

I also serve as a volunteer and have served in this capacity as Vice Chair in 2013 and as Chairman in 2014 to the Lower Columbia River Harbor Safety Committee (LCRHSC). This Committee is comprised of a highly diverse group of members from Federal, State, county, city, port, environmental, marine terminal, ship operation, waterfront property owner, and recreational waterway use organizations that consider maritime safety issues and positively influence the safety of our region's ports and waterways.

This background has allowed me to deal in depth and detail over a considerable period of time, with our region's maritime operational plans, policies, and procedures, and with issues involving safety, environmental impact, economic feasibility and sustainability, and regional growth opportunities. I believe this background and experience might prove helpful in making maritime safety and river capacity assessments regarding the proposed Pembina Marine Terminals propane export facility at T6.

As in any proposed change to maritime business and operations in our river system, the safety concerns we all share are predictable. These concerns center on the capability of the river channel to handle additional traffic, the capabilities and any special challenges the ship's themselves may present to our river system, and the capabilities and any special concerns we need to plan for that may lead to change in existing operating policies and procedures.

I'll address each of these in turn.

With respect to the capability of our river channel to handle additional traffic, since the Great Recession of 2007-2008, the Columbia-Willamette river system has averaged less than 1500 ship calls per year. We had 1484 ships call our ports here in 2013. The number of ships that visited our ports and marine terminals in 2014 is expected to be around 1500 as well.

Most of our region's maritime organizations and agencies, including the Columbia River Steamship Operators Association, draw their annual operating revenues from the ships that call our ports. Hence, keeping track of the number of ships that call, and are expected to call each year, is important to their annual budget planning efforts.

For more than a decade, from 1990 through 2005, the average estimated number of ships per year used by CRSOA and others for annual budget builds was 2000. During this period, ship call numbers varied between roughly 1900 and 2200 per year, so 2000 per year proved to be a very reasonable number. Also during this period, our river system continued to enjoy an exemplary navigation safety record.

Clearly, the Columbia-Willamette River system is nowhere near capacity. Given the many significant safety improvements that have been made over the past decade, I would conservatively estimate the safe navigation capacity of our system to be well beyond 2200 ships per year. The Pembina Terminal's operation will have no noticeable impact what-so-ever on our channel capacity.

With respect to the type of ships that will be serving the Pembina Marine Terminal, those ships are projected to be about 750 feet in length and 39 feet in draft. Those dimensions place these ships in the mid-size category for commercial ships visiting the Columbia River. Further, the propulsion, steering systems, rudder configurations, and resultant ship handling characteristics are expected to be no different than for any other ships that operate on our river system today. Therefore, the ships themselves present no additional or special navigation safety challenges to our river system.

With regard to any special concerns we need to plan for that may lead to changes in existing operating plans, policies, and/or procedures, the United States Coast Guard will be evaluating any risks and special concerns associated with the Pembina Marine Terminal proposal. We can anticipate that special requirements, similar to those considered for previous proposed projects involving the movement of large tank ships or LNG carriers within our ports and waterways, will be considered by the U.S. Coast Guard for the Pembina operation as well. Resulting proposals could include special reporting requirements, the addition of tug escorts, and the addition of special and dedicated fire-fighting resources for example.

Further, the Lower Columbia River Harbor Safety Committee (LCRHSLC) will be monitoring all aspects of this proposal as well, keeping all members informed, and will actively facilitate discussion and debate about all issues and any proposed special requirements involving the safe movement and handling of this cargo. The LCRHSC will also bring expert judgment and opinion to bear on the plans, policies, and procedures that come under consideration during the project's step-by-step deliberations.

In my opinion, the Coast Guard's required Waterway Suitability Assessment, along with the rigorous administrative procedures being exercised by other authorized and expert Federal and State agencies will successfully craft any necessary special requirements for moving and handling this proposed cargo throughout our river system. The resulting scrutiny, discussion, and debate on these proposals by the LCRHSC, various Commissions, and others, will assure the standup of any special operating requirements that will facilitate and assure the safe movement of propane in the region.

In closing, there are a few important safety and economic impact factors that should be considered as well. Since the time when our river system routinely handled an average of 2000 ships per year, some of which were 1000 to 1100 feet in length, and many of which challenged the draft limits of our then 40 foot channel, we've added an additional three feet of depth to the lower Columbia River channel,

thereby increasing the underkeel clearance and safety margin for the majority of vessels that call our ports. This has served to improve the navigation safety of all ship movement operations.

More importantly perhaps, is the fact that in 2001, to assure continued safe navigation as we prepared for ship calls of more than 2200 per year which we hoped a deeper channel would bring, the Columbia River Pilots partnered with CRSOA, and with the U.S. Department of Transportation's Volpe Center to design and build a highly sophisticated Vessel Traffic Information System . This VTIS greatly extended the situational awareness, operational communications, ship movement planning and coordination, and information sharing capabilities of our river system. Our VTIS benefited directly from the lessons learned in designing and operating the Panama Canal and St Lawrence Seaway Commissions' vessel traffic management systems, both of which had been designed by the Volpe Center. At the time of its full implementation in 2004, the Columbia River's VTIS was one of the most advanced in the world and looked forward to facilitating safe movement of a much greater numbers of larger, deeper draft ships.

Another important point that should not be overlooked with regard to maintaining our channel capacity and the number of ships we serve per year is that the fixed costs of the river system must be amortized among the number of ships that do call each year. Since 2008, our maritime industry has had serious concerns about the "death spiral" that could result from a decreasing number of ships, causing those fixed costs to be spread among fewer customers, making our port system less competitive, costing us a substantial loss of jobs, revenues, and tax base in the process. We were fortunate in that our planned deepened channel, almost two decades in the planning, has succeeded in drawing new fixed facility terminals (like the grain terminal in Longview, and significant expansion in other facilities into the river as well. These additions and expansions significantly mitigated a much more serious decrease in the number of ships available to cover our fixed costs, than would have occurred otherwise.

Without question, any proposal that can increase the number of ship calls each year, if it can be done safely, will benefit all users of the river system, reducing our fixed costs per river user, and drawing more customers to our region along with the concomitant jobs, revenues, and tax bases. The addition of another 25 to 30 ship calls per year to the Pembina Marine Terminal can only improve the economic competitive position of our ports, and the revenues supporting the safe navigation infrastructure of our waterways.