Port of Vancouver USA

February 12, 2013

Mr. Stephen R. Oliver
Bonneville Power Administration
905 NE 11th Avenue
Portland, OR 97232

Mr. David Ponganis
U.S. Army Corps of Engineers, Northwestern Division
1125 NW Couch Street
Portland, OR 97209

Dear Mr. Oliver and Mr. Ponganis:

Thank you for the opportunity to comment on the efforts by Bonneville Power Administration and the U.S. Army Corps of Engineers (the "U.S. Entity") to evaluate potential changes to our river system in the context of the Columbia River Treaty.

The Port of Vancouver celebrated its first one hundred years in 2012 and looks forward to a thriving second century along the Columbia River. Situated between river miles 103 and 106, and utilizing the Columbia River deep water channel (deepened to 43' in 2010), the Port of Vancouver operates on 2,000-plus acres of marine and industrial properties. The upriver Columbia River/Snake River system is also important to the port as it connects port commodities via barge to ocean going vessels. 16 percent of the US wheat exports are handled at the port and 85 percent of overall port tonnage is exports, primarily bulk products. Our top trading partners are Japan, China, Australia, Europe, South Korea and South America.

Today, the port and its businesses account for roughly 2,300 direct jobs, and port activities support nearly 17,000 jobs in the community. Eighty-five percent of the employees who come to work at the port live locally (Clark County, Washington), and port activities generate $1.6 billion annually in economic benefits to the region.

In general, the Port of Vancouver reacts to water depth changes, with customers and shipping companies adjusting to seasonal changes. However, if conditions change due to modifications in the Columbia River Treaty, impacts of extended duration highs or lows could be significant for port ship and barge calls, docks and costs of service.

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Port of Vancouver marine and environmental staff in considering potential alterations to river flows and seasonal highs and lows that may occur as a result of Columbia River Treaty negotiations, offer the following list of possible impacts to port assets and operations, environmental remediation and permitting, safety, finances and the port's overall global market position. Comments include:

- The Columbia River channel deepening was completed in 2010 at a cost of $183 million and it is anticipated that it will cost approximately $50 million annually to fully maintain the channel depth at a 43' clearance. Protracted water level swings/changes will reduce the utility of this system, drive trade away and could increase sedimentation and shoaling. A 43' channel must be maintained to capture trade and to fully maximize the economic benefits of these investments.

- Over $400 million in new private investment has occurred at the Port of Vancouver as a result of the completion of the Columbia River channel deepening project. Further expansion and investment is expected in the years to come, if the 43' channel depth is maintained.

- The Port of Vancouver is at the end of the deep water channel and any additional deterrent/cost could drive business elsewhere. Currently, ships calling the port will arrive or depart with less than full loads in order to accommodate low river flows and reductions in draft due to shoaling. Further or protracted low river levels will drive cargos to other ports/regions.

- Increased river flows could increase the time taken for ships to come to berth, increasing pilot hours, fuel use and costs. Some newer ships coming to the Port of Vancouver use a bow thruster during docking. They may be unable to use this equipment with either high or low flows. If these vessels can dock with just one tug instead of two, their port call costs are reduced. If high flows require two tugs, port call costs increase.

- Higher than normal river levels may impact loading operations at port facilities that have fixed height infrastructure that may be too low to load an inbound empty vessel. This could result in increased costs, lost export opportunities and reduced revenues.

- Low water periods may make docking problematic and would lower loads leaving the docks. There may be significant restrictions on navigation and speeds and concerns for bank exposure. Lower river levels would expose more bank, potentially increasing fish stranding, resulting in environmental mandates to reduce speed and make other operational changes.

- At Port of Vancouver docks, impacts could include shoaling, erosion at footings and along the river bank, and collection of river "junk." These issues could undermine dock integrity and increase dredging and maintenance costs.

- Annual and routine clean-up activities might be impaired, and safety concerns may result, if required during high water periods. Port personnel and equipment are used for these routine activities and added clean up during high water periods can increase risks and danger.

- Permitting for previously routine operations and maintenance activities could increase in complexity, frequency and urgency. This will increase costs for river users, potentially delaying projects and increasing pressure on permitting agencies in terms of staff time and expertise.

- The ability to plan and execute in-water construction projects becomes more difficult and expensive with increased river level fluctuations. Currently, the port is building a new rail entrance structure that requires in-water construction. Future in-water projects are planned by private entities expanding on port properties.

- Both high water and low water variations could be problematic for restoration and mitigation projects on the Columbia River. These variations may cause greater scouring, erosion and decreased vegetation survival (e.g. Lower Columbia River Estuary Partnership and other organizations are conducting various restoration projects from the mouth of the river to upriver areas).

- Overall changes in flows may impact the "geography" of the river and channel and the contours under the port's docks, resulting in increased maintenance dredging costs.

- Finally, Port of Vancouver staff would like additional information on the models and the variability and duration of projected flow changes to consider further impacts and to better understand the projected flow levels.

Thank you for the opportunity to provide our current concerns. We look forward to future opportunities to communicate with you and your staff and to provide additional comments as this process progresses.

Sincerely,

Addison Jacobs
Director of Public Affairs

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