

“The Transportation Challenges, Value, Needs and Opportunities for the Port of Pittsburgh Commission”

Presented to the Senate Transportation Committee, by

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Chairman Rafferty and Honorable Members of the Pennsylvania Senate Transportation Committee:

Mariners say “when you have seen one port, you have seen one port”. That is especially true in Pennsylvania where each of our three ports is so different. I appreciate your taking the time to come here to understand what makes the Port of Pittsburgh tick.

You have already heard the overview of the Port of Pittsburgh Commission (PPC) from Chairman McNees, you have heard about our struggle to rehabilitate our federal locks and dams from Commission McQuiston and you heard about our cutting edge technology projects designed to take this waterway system into the 21st century.

I will try to leave a few take-away points and underscore “why this is a Pennsylvania problem”, even though it is mostly federal funding that we seek.

The National Research Council last week issued a report indicating that the current path of funding our nation’s locks and dams would not sustain acceptable levels of service. I was asked to speak before this group because western Pennsylvania’s waterways are the canary in the mine shaft of infrastructure decay. We have the oldest, least reliable section of the waterway.

You have to remember that the natural draft of these rivers is only about 18 inches. What has been built with private investment in metal making, chemical making and power generation is a result of the foresight of our grandparents and their elected officials. Because it has not been well maintained, our economic welfare is increasingly at risk, eroding our competitive advantage and our ability to attract industry to the region.

Earlier, Senator Ferlo mentioned Allegheny Teledyne or, what was then Allegheny Ludlum. When asked by our economic impact researcher “how many of your jobs are dependent upon the waterways?” he answered, “all of them, without the rivers we would not be here”. Senator Brewster mentioned the huge crane that US Steel could only bring in via the waterways. Similarly the proposed Shell plant could only be built here because they can bring the very large pieces in by waterways. So billions of private

dollars have been invested and continue to be invested in our region because of the waterways, which bring the advantage of ocean shipping to the back door of Pennsylvania. But, as you have heard, we cannot take that advantage for granted.

With the small but important budget that we receive through PennPORTS, we have been able to leverage over \$300 million in federal spending in the region since 2007. But even that is at risk as we have seen our operating budget slashed from \$1.5 million to \$750,000 to \$50,000 (currently restored to \$285,000). We use these funds to carry out the programs that Chairman McNees mentioned, to pay for our administrative staff and to leverage outside funds. The budget cuts significantly reduce our ability to leverage those outside funds, to inform the public of consequences of potential lock or dam failures and to maintain and modernize the waterways with new technologies invented in Pittsburgh and built in Pennsylvania.

We hope we can count your support to restore our Pennsylvania funding. We will provide you with detailed information on the proposed legislation in the US House and Senate and would appreciate any support in that area as well.

We have partnered with industry and with Carnegie Mellon University to develop those technologies. We are well positioned to take advantage of the recently passed P3 legislation and we look forward to seeing the implementation of the Governor's Transportation Finance Advisory Commission and its "Intermodal" development assistance, including ports and waterways.