

# DELAWARE RIVER MAIN CHANNEL DEEPENING

11/10/09

## Project Description:

1. The U.S. Army Corps of Engineers will deepen the current 102-mile, 400-to-1000-foot-wide Delaware River shipping channel from Philadelphia through the Delaware Bay from 40 to 45 feet. The scope has always been limited to dredging material from the channel and placing it nearby and does not include any reuse of material in abandoned mines or other remote locations.
2. All dredged material from the river will go directly to federal sites in New Jersey and Delaware, the same sites used continuously for the 40-foot channel since World War II.
3. Sand dredged from the bay will be used for wetland restoration and beach nourishment in Delaware.
4. Estimated construction cost is about \$300 million over five years, split 65/35 between the Corps and the Philadelphia Regional Port Authority; Pennsylvania is paying the whole non-federal share.

## Current Issues:

The major issues currently being raised concerning the project are:

1. The first group concerns the need for the federal government to apply for and acquire a State permit from Delaware to construct the project. The Corps, based upon its nationwide responsibility for commercial navigation has taken the position it does not need the permit from Delaware. It will and must fight this if it is to be able to carry out its national responsibilities for commercial navigation.

This position was essentially forced upon the Corps by Delaware by the way it conducted its permit process. The Corps originally applied in 2001 for the permit as a matter of comity. Delaware took over eight years to reach a permit decision, and during that time period refused to allow the Corps to provide supplemental information to address concerns raised. Delaware denied the permit in July 2009.

It is my understanding that within two hours of withdrawing its application on July 24, 2009, the Corps received by fax a letter dated July 23, 2009 denying the permit.

On October 23, the Corps then announced it would proceed, as the permit is not legally required. Delaware then filed suit in federal court to force the Corps to get the permit. New Jersey joined the lawsuit and raised additional issues having to do with the scope of the project and the environmental analyses performed. A hearing is scheduled for December 5 to determine if the project should be stopped until all the issues are heard.

- a. A whole series of environmental concerns on items such as the scope of the project, sediment quality, endangered species and air conformity. These issues have been addressed by over \$15.0 million in studies done by the Corps, National Marine Fisheries, and U.S. Fish and Wildlife Service, U.S. Geological Survey, and the National Oceanic and Atmospheric Administration as well as many private consultants. These findings were reviewed many times by the New Jersey Department of Environmental Protection (NJDEP) and until the past year, have always been found to be adequate.
  - b. There are no New Jersey permits the Corps is obtaining or needs to obtain.
2. The New Jersey opposition to the project is incompatible with the ongoing deepening of the channels that service the Port Authority of New York and New Jersey. The fact is that there is sufficient cargo to see rapid growth at both ends of the State of New Jersey, particularly with the improvements to the Panama Canal which will bring a larger than anticipated increase in future cargoes directly to the East Coast Ports.
- Even if these cargo volumes were not projected, it is unclear why New Jersey would support expansion activities at its northern ports to the disadvantage of those in the southern part of the State.
3. There is also confusion of what the General Accountability Office (GAO) has said about the project.
- a. GAO did one review which was completed in 2002; it was an audit, not a full reanalysis.
    - i. GAO did not recalculate the benefit-cost ratio to be 0.50, and it did not produce the last word on the project's benefits.
    - ii. GAO concluded its review by asking the Corps to do a full reanalysis using independent consultants.
    - iii. The Corps did as requested, and the GAO's own website confirms they accepted the Corps' response. The Corps published a comprehensive reanalysis in 2002, then a supplemental reanalysis of some of the benefits in 2004.
  - b. 2004 Reanalysis: The 2004 report showed a benefit-cost ratio of 1.15, down from 1.4 before the audit but still clearly positive.

### **Current Positions on the Project:**

1. All the major Port Authorities along the River support the deepening project, including the South Jersey Port Corporation. In fact, the Paulsboro project is

being constructed in a way that will allow it to take advantage of the improved channel and bring in deeper draft vessels.

2. All major labor groups associated with the port activities, including the ILA, Operating Engineers, Teamsters, support the deepening. Other general business organizations, such as the PenJerDel Council, and Delaware State and New Castle County Chambers of Commerce, also support the project.
3. Environmental groups, led by the Delaware River Keeper, have opposed the project from its inception. The major environmental groups have also taken the position that the project is "bad for the environment" no matter what, but these generalities are no match for the facts:
  - a. The Corps has shown by any reasonable standard, through exhaustive studies and tests and adherence to the National Environmental Policy Act (NEPA) process that there is not one substantive, significant negative environmental impact associated with this project. It does not need "more study."
  - b. The material being dredged is not "sludge" or "muck" containing "hidden toxins," but ordinary silt, clay, sand and gravel (mostly just sand in the bay). Decades of maintenance dredging have skimmed contaminants from the channel bottom, and the previously undisturbed material below is even cleaner.
  - c. The Corps' environmental information is not "outdated." Since 1997 the only project-related changes involve less environmental impact, and the only changes to the environment itself involves the 2004 M/V Athos I oil spill, from which sampling shows no adverse impact in the five years since, and shortnose sturgeon migration, which the Corps has taken into account.