Algonquin to Adirondacks Conservation Association ••• Alliance for the Great Lakes ••• American Rivers · · · Biidaajiwun Inc. · · · Canadian Autoworkers - Local 1520 · · · Canadian Environmental Law Association · · · Canadian Parks And Wilderness Society - Ottawa Valley Chapter · · · Citizens For Renewable Energy · · · Chippewa Ottawa Resource Authority · · · Citizens Campaign for the **Environment · · ·** County Executives of America · · · Eastern Surfing Association - Great Lakes District · · · Environmental Defence · · · Environmental Law & Policy Center · · · Erie County Environmental Council ••• Freshwater Future ••• Georgian Bay Association ••• Great Lakes Sport Fishing Council · · · Hoosier Coho Club · · · Izaak Walton League of America - Delta Chapter · · · Izaak Walton League of America - Great Lakes Committee · · · Izaak Walton League of America - Michigan Division · · · Izaak Walton League of America - Minnesota Division · · · Izaak Walton League of America - New York Division · · · Izaak Walton League of America - Ohio Division ••• Izaak Walton League of America - Wisconsin Division ••• Gananoque River Waterways Association · · · Grassroots Northshore · · · Great Lakes United · · · Lake Erie Region Conservancy · · · Lake Huron Centre for Coastal Conservation · · · League of Women Voters of New York State · · · Ludington Area Charterboat Association · · · Marine Management Ltd. · · · Michigan Charter Boat Association · · · Michigan Wildlife Conservancy · · · National Wildlife Federation · · · Northwest Indiana Steelheaders · · · Save The River · · · Thousand Islands Land Trust ••• Trout Unlimited - Illinois Council ••• Trout Unlimited - Wisconsin State Council ••• **Western Lake Erie Waterkeeper Association**

January 18, 2008

David Wright, Project Manager U.S. Army Corps of Engineers, Detroit District 477 Michigan Avenue, P.O. Box 1027 Detroit, Michigan 48231-1027

Re: Great Lakes St. Lawrence Seaway Study

Dear Mr. Wright:

On behalf of 43 groups, thank you for the opportunity to provide feedback on the Final Report of the Great Lakes St. Lawrence Seaway Study, released November 26, 2007. The signatories to this letter represent a diverse community of interests ranging from environmental, conservation, fishing, boating, residential, labour, tribal, and First Nation's who are bound by a common commitment to the health of the Great Lakes and St. Lawrence River.

First, we would like to applaud the increased opportunities for stakeholder participation in the development of the Final Report, as well as the willingness of the U.S. Army Corps of Engineers to reach out to Canadian partners, modify the scope of the study to remove expansion options for the Great Lakes-St. Lawrence Navigation System, and include environmental considerations. We are very pleased that expansion was not considered in the Final Report. For this reason, we make the following recommendation to the United States and Canada:

It must be made clear that expansion of the system, as proposed in the Corps' 2002 Reconnaissance report to the Great Lakes Navigation System Review, is no longer an option.

The Governments of the United States and Canada must state unequivocally that Seaway expansion is not consistent with sustainable use of the Great Lakes, and will not be feasible now or in the foreseeable future because of known and predictable environmental concerns, dubious benefits and exorbitant costs. The U.S. Army Corps of Engineers can and should make this clear by swiftly and conclusively altering the recommendations of the 2002 Reconnaissance report to remove any recommendation to further study Seaway and navigation system and expansion.

While we acknowledge the increased effort to include environmental concerns in this document, especially in contrast to past navigation studies, we strongly feel that this report fails to adequately balance environmental protection and restoration with the interests of navigation. As stated in the Final Report, integrating the three perspectives of engineering, economics, and the environment is necessary to "maintain truly sustainable commercial navigation in the Great Lakes basin and St. Lawrence River, and leave a lasting positive legacy to future generations" (Final Report, p. 116). We do not believe that the Final Report reflects this vision, nor basic principles of sustainable development, such as corporate responsibility, adaptive management or full-cost allocation. This report is a missed opportunity to develop a "truly sustainable" navigation system. Instead, the report dismisses the responsibility of commercial navigation to reduce its environmental burden on the region, and contains no new information, recommendations or solutions to solving environmental and social problems directly caused by commercial navigation operations on the Great Lakes and St. Lawrence River.

The following are specific concerns:

1. The Final Report fails to quantify the environmental costs and benefits from operating at current configuration.

The Final Report should have included a complete accounting of the economic costs and benefits to the environment incurred by operating the system, including the costs of invasive species. While the study repeatedly states that there is an environmental benefit from the higher fuel efficiency associated with commercial vessel transportation compared to rail or truck, this information is not quantified, and is of little value unless it is placed in a broader context and compared to other costs and benefits.

The Final Report fails to identify how the navigation industry can internalize costs and benefits, which is an essential criterion to be considered sustainable. Further, the Final Report should have identified, where appropriate, adjustments to operations to reflect full costs onto the industry. To transition towards sustainability, the Final Report should have identified economic, environmental, and social costs and benefits associated with alternative navigation operations and the use of the Great Lakes- St. Lawrence River resources, such as the transshipment of international cargo to curb the influx of invasive species from ocean-going vessels. Only after these steps are taken can the Great Lakes navigation industry be considered "truly sustainable".

For example, the cost of invasive species is a significant burden on the \$4.5 billion dollar binational Great Lakes fishery, the region's taxpapers, and the numerous industries and municipalities using Great Lakes water. Because no invasive species that has established itself in the Great Lakes has ever been eradicated, these costs are borne by this and future generations. Without understanding the magnitude of the impact navigation has on the region compared to the

benefit associated with the relatively low volume of bulk cargo that is moved on ocean-going vessels, the United States, Canada, and the industry will not have the tools or motivation needed to begin to either internalize the cost or to identify and make adjustments to operations. For the Final Report to have credibility and be effectively used to justify future investment into the maintenance of a "truly sustainable" system, the study must honestly evaluate the extent of environmental damage incurred by the region thus far, can expect to in the future, and make appropriate adjustments.

This recommendation is not new, having been repeatedly conveyed to the binational study team in verbal and written public hearings during the five year duration of the Great Lakes - St. Lawrence Seaway Study, and in stakeholder written comments, including groups represented on this letter.

2. The Final Report dismisses navigation's responsibility to reduce environmental degradation in the Great Lakes and St. Lawrence River.

Inexplicably, the Final Report concludes that the role navigation related environmental stressors play is minimal when compared with other factors, and therefore are "unlikely to result in significant gains to overall environmental quality" (Final Report, Pg. 14). This conclusion is simply out of touch with the realities that exist in the Great Lakes today and fails to acknowledge ownership of impacts incurred by commercial navigation operations. No other single action could have as significant an impact on the future of the Great Lakes as stopping the flow of invasive species introductions from deep-draft ocean-going vessels that were granted access into these inland freshwater lakes in 1959.

The Final Report further dismisses navigation related environmental impacts by concluding that "adequate" frameworks and policies are already in place to address navigation related impacts (Final Report, Pg 14). This statement mistakenly denies the need for additional regulations and policies to ameliorate navigation-related impacts. The Final Report does make recommendations on where some environmental improvements could be made but failed to address the top current environmental issues. It also should have included recommendations and suggestions at least as detailed as those in the economics and engineering sections, and provided enough information on costs and benefits to weigh recommendations. Instead, environmental issues caused by navigation are included merely to summarily dismiss them by implying 'other industries pollute too'.

Another example is the lack of recognition of the role historical dredging for commercial navigation has had on the upper lakes, and the critical need to find solutions to the dewatering of Lake Michigan, Lake Huron and Georgian Bay. Stopping any artificial loss of water from the upper lakes is as essential to the survival of shipping industry as it is to residents, recreational boating, and the environment. We are dismayed that the Final Report fails to at least recognize that solving the dewatering issue is a top priority if the industry wants to survive into the future, particularly in light of climate change projections of increased lowering of the lakes. Dissociating the navigation industry from its responsibility to address these and other navigation related impacts is unacceptable.

3. The Final Report dismisses the continued threat of invasive species introductions.

The Final Report states that "strict controls" have been introduced on ballast water to reduce the risk of invasive species introductions, in the form of ballast water exchange and no ballast on board (NOBOBs) salinity requirements (Final Report, pg. 14). These statements are inaccurate. While ballast water exchange and saltwater flushing have been shown to reduce the risk of invasive species introductions, the practices by no means eliminate the risk and should not be presented as a solution to the invasive species crisis that exists in the Great Lakes and St. Lawrence River today. Ballast water has been unequivocally shown to be the number one vector for these invasions and the tacit dismissal of this issue as under "strict control" undermines the credibility of this document. Instead, the Final Report should have included specific recommendations - from onboard treatment requirements to operational modifications - for solving navigation mediated invasive species introductions as a requirement for the continuing viability of the system.

We also note the failure of the Final Report to reference recommendations applicable to maritime commerce from the broadly supported Great Lakes Regional Collaboration's Aquatic Invasive Species Strategy. Both the U.S. Army Corps of Engineers and the U.S. Fish and Wildlife Service are party to the U.S. federal-level Great Lakes Interagency Task Force, and have pledged their support for protecting and restoring the Great Lakes through implementation of the GLRC. The Final Report's lack of inclusion of the GLRC's overarching goal to prevent new aquatic invasive species introductions by ships ballast water, as well as the failure to include specific GLRC recommendations pertinent to invasive species is a gross omission. Just a few GLRC recommendations that should have been essential components of the Final Report include:

- Require ship-board ballast water treatment and hull management for ocean-going vessels to an environmentally protective standard by 2011, and;
- Ensure non-ocean-going vessels (Lakers), operating exclusively within the Great Lakes, eliminate the spread of invasive species already present in the system.

(The GLRC Aquatic Invasive Species Strategy can be found at: http://www.glrc.us/strategy.html)

4. The Final Report fails to adequately address climate change scenarios.

The report fails to adequately address the need for navigation to adapt to the predicted impacts of climate change over the next 50 years. The Union of Concerned Scientists research on climate change in the Great Lakes states that the climate of the Great Lakes region will grow warmer and drier this century. Annual average precipitation levels are unlikely to change. However, temperature increases are likely to result in the region becoming drier because increases in precipitation will be unable to compensate for the drying effects of increased evaporation and transpiration in a warmer climate. (The UCS report *Confronting Climate Change in the Great Lakes Region: Impacts on Our Communities and Ecosystems* can be found at: http://www.ucsusa.org/greatlakes/)

This drying will affect surface water levels and cause significant changes to the commercial shipping industry. As lake levels drop, vessels will not be able to operate at maximum draft depth without significantly dredging harbors and channels. Issues associated with significant increases in dredging include increases in maintenance costs, toxic sediment mobilization at

ports, and dewatering of the system. Lakes are also predicted to be clear of ice for longer periods of time, which will allow even more water to evaporate, resulting in further declines in water levels, reductions in the maximum draft depth that vessels can operate and consequently increase costs to shipping.

Anticipating and planning for the impacts of climate change is essential for the navigation industry to survive let alone become "truly sustainable". The Final Report briefly mentions forecasting that predicts permanently lower water levels throughout the Seaway system, but these predictions are not followed by discussions of how the industry could prepare for, or respond to, a potentially enormous reduction of individual vessel capacity. Given the potential magnitude of impact climate change may have on commercial shipping on the Great Lakes and St. Lawrence River, the development of adaptive management strategies must be made a priority in order to maintain vitality of the system. The omission of such recommendations is glaringly unacceptable given the approximately \$4 million dollars of funding appropriated to the Final Report over three years, and the Final Report's stated task of providing a comprehensive understanding of needs, opportunities and challenges over the next 50 years.

5. The Final Report does not provide cost or benefit estimates for short sea shipping.

One of the Final Report's main conclusions is that the Seaway system is underutilized. One area that is repeatedly identified as a source of future growth is short sea shipping. While the Final Report offers a great deal of detail about the anticipated costs of maintaining the existing infrastructure, it is silent on the infrastructure costs associated with preparing the system to utilize short sea shipping, including costs associated with facilitating new types of vessels and cargos. We also reiterate the failure of the Final Report to identify the use of short-seas shipping as a transshipment option to move international bulk cargo in and out of the Great Lakes as an alternative to ocean-vessels to facilitate international trade while curbing the influx of invasive species.

We remain very interested in the potential for short seas shipping as a means to alleviating current environmental problems, for example reducing invasive species introductions by transshipping all international cargo in and out the region and reducing air emissions from trucks idling at border crossings. However, in order to justify the development of short seas shipping as sustainable, a full accounting of costs and benefits must be performed.

6. The Final Report provides dubious justification for predicting increases in container traffic.

The Final Report forecasts increases in container shipping, often in the context of short seas shipping. This type of traffic is conspicuously absent on the Seaway today. However, according to a 2003 study by the Pennsylvania Transportation Institute (PTI), container traffic is unlikely to ever make up a significant portion of Seaway traffic. The PTI study found that the long transit times and the associated added costs and uncertainties of the Great Lakes navigation system are likely to discourage containership traffic and that existing transportation networks providing container movement to the Great Lakes region are not capacity constrained. Also, according to the Bureau of Transportation Statistics, container traffic in the United States is becoming more concentrated as larger, faster and more specialized vessels call at the limited number of ports

capable of handling them. The top 10 U.S. container ports account for 85 percent of U.S. containerized traffic. (The BTS report *America's Container Ports: Delivering the Goods* can be found at: http://www.bts.gov/publications/americas container ports). Neither the Corps, nor the Final Report have provided a response to the PTI study's conclusions and recommendations, or a justification for why significant volumes of container traffic would start using the Seaway via direct ocean-vessel access or transshipped.

Conclusion

The Final Report represents new territory in Great Lakes navigation planning due to its binational character, its improved outreach to stakeholders, and its inclusion of environmental issues alongside economic and engineering. This is a step in the right direction, and further action by the U.S. Army Corps of Engineers is needed to officially remove expansion options from their 2003 Reconnaissance Report.

Despite these notable steps, the Final Report falls significantly short of the thorough, unbiased and integrated vision that is needed to plan for a "truly sustainable" future for the Great Lakes-St. Lawrence Navigation System and ecosystem overall. Instead, the document treads little new ground in its promotion of benefits of navigation while providing no new information on solutions to environmental issues. This habitual approach will not be adequate to prepare for the responsible use to one of the most essential and fragile, resources in North America, especially in light of the realities of invasive species and climate change. The Final Report essentially appears to be a blueprint for justification to continue 'business as usual' while developing into new markets despite the magnitude of current and looming future environmental impacts that will alter both historical and new shipping whether the industry proactively plans for it or not. The citizens on both sides of the border need balanced policy that will help the navigation industry internalize costs and adapt to decreases in water levels, ensure the largest freshwater ecosystem in the world is protected from invasive species, and balance investments into the navigation system with investments in preventing and restoring damages from navigation operations.

Thank you for considering our concerns and for your longstanding work on this issue. We will continue to pursue opportunities for unbiased examinations of how the system can become "truly sustainable' that unfortunately were not addressed in the Final Report, and urge you to consider the above issues in future decision making pertinent to the Great Lakes navigation system and St. Lawrence Seaway.. If you have any questions, please contact Jennifer Caddick, Executive Director of Save the River or Jennifer Nalbone, Campaign Director of Great Lakes United.

Sincerely,

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