

Push for new Soo lock continues in Washington

Todd Spangler September 6, 2015

With Congress returning to Capitol Hill this week, efforts by Great Lakes shippers and the businesses they serve will ramp up again to secure funding for a study that could improve the chances of a new super-size navigational lock finally being built in Sault Ste. Marie.

As the Free Press reported, no new funding has been set aside for construction of a second lock capable of handling the largest freighters, even though such a lock was authorized by Congress 29 years ago and only one of the current Soo Locks — the 47-year-old Poe — is big enough to handle such freighters now.

A 20-day closure this summer of the other operational lock at the Soo, the MacArthur, sent all the ship traffic traveling between Lake Superior and the lower Great Lakes through the Poe, raising concerns that if something happened to it, shipments of iron ore that steelmakers and other manufacturers count on would effectively be halted.

James H.I. Weakley, president of the Lake Carriers Association, a trade group of shippers based in Ohio, said he would return to Washington with Congress at the end of its break and continue pressing for the Army Corps of Engineers to authorize moving \$1.3 million into a study at the Soo.

"The timing is critical right now," Weakley said, explaining that the study, which would take a new look at the cost-benefit ratio of a new lock at the Soo, will take at least two years to complete. If it's not authorized for the 2016 fiscal year, which begins Oct. 1, it could delay any chance of beginning construction until 2018.

An old cost-benefit study was said to have been built on incorrect assumptions and did not take into account that there is not enough infrastructure or capacity for rail or trucks to move some 75 million metric tons of freight that travel through the locks on average each year.

The funding for the study is money left over from another project, but so far, the Army Corps of Engineers, which operates the Soo Locks, hasn't formally decided whether it should be recommitted to the cost-benefit study. Congressional appropriators must be consulted, too. The Soo Locks have proved reliable for shippers throughout the years, but a recent Free Press analysis of Corps' records shows the potential for problems: Average annual tonnage of iron ore — the No. 1 commodity traversing the Soo — have remained high, but the number of hours that one or more of the locks has been closed and the percentage of vessels delayed has been rising in recent years.

While a new lock for the Soo is not on the Corps' list of priorities, its presentations say that a 30-day shutdown there would have a potentially greater economic impact than that for any other navigational lock in the country over the same time period. However, the Corps also is said to have a backlog of construction projects totaling \$60 billion or more, and there is stiff competition from projects across the U.S. A new lock at the Soo would cost more than \$600 million and could take a decade or longer to complete, even if Congress provides funding each year without interruption.

Weakley, who is working with key members of Michigan's congressional delegation as well as with the governor's office, also is lobbying to have a Department of Homeland Security study of the impacts of a lock closure finalized, believing it will bolster arguments for building a new lock. While declining to outline his schedule in detail, he said he expects to be in Washington for much of the next two weeks for several meetings on Capitol Hill, as well as with Coast Guard and other officials, after a summer of trying to drum up support both for a new lock and for a new, heavy icebreaker for the Great Lakes.

Both are long shots for funding right now.

Meanwhile, there are those in the nation's capital who argue that if a new lock at the Soo is to be built, the Corps — and Washington — should have nothing to do with it, especially given that after being authorized in 1986, so little has happened to move forward with funding since then.

"It fits into a general pattern of massive amounts being authorized for these projects and then they don't fund them," said Chris Edwards, an economist with the Cato Institute, which advocates for smaller government, and who has argued for privatizing the Corps. "Congress is so eager to authorize these projects, but the reality is there isn't enough federal money."

He said he thinks, as does Steve Ellis, an expert on Corps spending and controversies at the watchdog group Taxpayers for Common Sense, that if enough people and businesses in the Upper Midwest want a new Soo Lock, they should figure out how to pay for it themselves.

It's an argument that Ed Wolking Jr., executive counsel of the Great Lakes Metro Chambers Coalition, representing chambers of commerce from around the region, isn't buying, however.

"It's a federal responsibility, first and foremost, because this is an interstate commerce asset," Wolking said. "If we start raising money for this project and that project, and this group and that group, we start to Balkanize our transportation system, and I don't think we want to do that."

Weakley agreed, but for a more pragmatic reason.

"We don't have the money," he said, referring to the shippers plying the Great Lakes. "The margins are so thin in our industry, there's no way we could cover it. ... Just because the Corps isn't funded adequately, and they've had hiccups on other projects, doesn't mean they should punish the Soo Locks project."