Testimony of:

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The Federal Columbia River Power System:
The Economic Lifeblood & Way of Life for the Pacific Northwest

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Mr. Chairman, Members of the Committee,

Good morning. My name is Rob Rich, and I am the Vice President of Marine Services for Shaver Transportation. I have spent 39 years working on the Columbia Snake River System since 1979.

I also serve the current President of the Pacific Northwest Waterways Association, or PNWA. PNWA is a non-profit trade association that advocates for federal policies and funding in support of regional economic development. Our membership includes over 130 public ports, navigation, transportation, trade, tourism, agriculture, forest products, energy and local government interests in Washington, Oregon and Idaho. I represent both Shaver and PNWA here today, and appreciate the opportunity to provide the perspective of the navigation community in the Northwest as it relates to the importance of the Columbia Snake River System.

Background on Shaver Transportation

Shaver is now a 6th generation, 138-year-old, family-owned tug and barge line. We are the oldest continuously operating tug and barge line on the West Coast.

With a staff and crew of 110 employees, we operate a fleet of 15 tugs and 20 grain barges on the Columbia Snake River System, with over \$9M in payroll. Shaver handles 40 % of all barged wheat from the 27 river elevators serving the inland empire from The Dalles, OR to Lewiston, Idaho. This represents approximately 500 barge loads of wheat at 120,000 bushels per barge shipped.

Shaver has built 10 of the last 12 new grain barges added to the river system since 1996, all told a \$35M investment. We also have increased our upriver barging tug fleet by 40% since then, going from three to five tugs with an investment of \$10M.

Background on the Columbia Snake River System

The Columbia Snake River System is essentially a river highway. It includes our 105-mile deep draft Columbia River channel from Astoria at the mouth of the river at the Pacific Ocean all the way to Portland, Oregon. From there, a 360-mile inland barging channel stretches from Portland to Lewiston, Idaho, with a series of eight locks along the way. Those dams are why we are here today, and I could not be more proud to talk about the benefits they provide to our region and the nation.

The Columbia Snake River System as a whole moves over 50 million tons of cargo worth over \$24 billion. The inland portion of the system helps to feed our deep draft export gateway, with over 9 million tons of cargo moving through the Columbia and Snake River dams.

This river system is the nation's number one wheat export gateway. Over 50% of the nation's wheat exports moves through our river system. Barge lines operating on these rivers support over 1200 barge tows annually, with the standard grain tow consisting of four barges, totaling 15,000 tons of wheat. Each four-barge grain tow represents over \$3M in Inland Empire wheat producer income. Adding to this, a rail to barge transfer station is being constructed at Boardman, OR to shortstop wheat railed from the Midwest, adding to our system's value to producers located many states away.

Barging through the four Snake River dams is a particularly critical transportation link for our region. Nearly 10% of all U.S. wheat exports moves through just those four projects, destined for overseas markets. In 2014 alone, over 4.3 million tons of cargo was barged on the Snake River. It would have taken 43,610 rail cars to carry this cargo, or over 167,000 semi-trucks, with increased emissions and increased safety risks, all at a higher cost to the farmer and shipper.

Our barging system also safely and responsibly transports millions of gallons of refined petroleum products from Portland to the Tri-Cities, thousands of tons of wood products to downriver mills, as well as containerized solid waste, aggregates for concrete and asphalt plants, and scrap steel from Burbank, Washington to Portland, Oregon for export. In fact, a large portion of the diesel and gasoline used right here in the Tri-Cities is barged to Pasco and trucked out to our local gas stations. At certain times of the year, this can be up to 50% of the fuel this area puts in our vehicles. In addition, Top of Form fertilizer is barged into this area to grow potatoes, apples, grapes and the many other crops prized in our nation and overseas.

As you may be aware, there continues to be a small but vocal minority in our region who advocate for removing the four Lower Snake River dams. These four dams are among the most advanced, fish-friendly projects in the entire country, and do not block access for endangered salmon runs. In fact, juvenile fish survival rates past each of these dams is between 95% and 97%, which is higher than what is seen in some undammed rivers. Major improvements in fish ladders, dam design, optimized river flow, and habitat restoration (all paid for by revenues from the Snake and Columbia River dams) have resulted in improvements to salmon returns. The time it takes fish to pass through the dams is also the quickest it has been since the dams were installed and continues to decrease with each new improvement.

Northwest ports and navigation interests have always strongly supported robust salmon recovery efforts that preserve the multiple uses of the river system. We believe, like most in the scientific community, that salmon runs have been affected by a variety of factors. A commitment to improving all factors affecting the fish, including hydropower, habitat, harvest, and hatcheries, is necessary for listed species to recover. Extreme measures like dam breaching have been studied and rejected numerous times over the last twenty years. Mother Nature will always throw us some curve balls, but the trend lines for our listed fish species over the last ten years demonstrates the success of regional collaboration on fish passage, habitat, and other river improvements.

I've given you a lot of facts and figures, but this is what I want to leave you with. As a multigenerational family-owned company, we directly relate to the family farm producers and shippers we serve here in the Inland Northwest. These families, our company, and the river system we know today has grown steadily and sustainably into the primary economic driver of our trade dependent economy. From the family farm producers of eastern Washington and Idaho who have no other access to the Pacific Rim markets but through barging, to our crews that depend on our jobs for their livelihood, it is with great respect and pride that we serve the Columbia Snake River System.

Thank you for the opportunity to testify. I welcome any questions you may have.