

**Administrator Sutton
Opening Remarks
Stakeholder Roundtable Discussion
Tuesday, September 17, 2013 – 11:00 am
Port of Duluth – Authority Boardroom**

- Good Morning
- Thank you all for taking time out of your schedules to participate in this roundtable discussion
- I'm really here to listen to all of you
- First, I thought you might be interested in knowing a bit more about me and, after a month on the job, some of my priorities as I get underway
 - Great Lakes region native – Ohio
 - Congressional District – Lorain, Lake Erie waterfront
 - Served at every level of government
 - Private practice as a commercial/labor lawyer
 - Committed to public service and the search for cooperative/collaborative solutions that support the public interest
- Last week, I was in Milwaukee, speaking at the Great Lakes Commission Annual Meeting
- One take-away I had from that event was that we need to do more to educate the general public about the importance and the efficiencies of using the marine mode to move goods
- Maritime efficiencies have been documented
- Per a *Great Lakes Navigation System: Economic Strength to the Nation Study* conducted by the U.S. Army Corps of Engineers in January, 2009:
 - **A maximum Seaway-size Laker** can carry 25,000 metric tons per voyage, which is the equivalent of **225 rail cars** or **870 semi-trailer trucks**.

- Another study released by the Chamber of Marine Commerce in February, 2013 called *The Environmental and Social Impacts of Marine Transport in the Great Lakes-St. Lawrence Seaway Region* concluded:
 - The Great Lakes-Seaway fleet is nearly 7 times more fuel-efficient than trucks and 1.14 times more fuel-efficient than rail
 - Rail and trucks would emit 19 percent and 533 percent more greenhouse gas and emissions respectively if these modes carried the same cargo the same distance as the Great Lakes-Seaway fleet
 - Great Lakes fleet performance will significantly improve in the coming years due to new regulatory standards and investments in new vessels:
 - GHG emission reduction of 32%
 - NOx emission reductions of 86%
 - SOx emission reductions of 99.9%
 - Particulate Matter emission reductions of 85%
 - A shift of Great Lakes cargo to rail or truck modes would result in:
 - Higher levels of GHG, NOx and SOx emissions
 - Significant increase in congestion
 - Additional highway infrastructure costs
 - Increased noise levels
- The marine industry is constantly seeking out the latest technologies and adopting best practices to lower its environmental footprint even further
- Beyond these efficiencies, the Seaway System makes a vital economic impact and I want to help further that effort
- I'm sure that most of you here can recite the economic impact numbers of Great Lakes-Seaway maritime shipping from the 2011 Martin Study in your sleep:
 - 227,000 U.S. and Canadian jobs
 - \$34 billion in transportation-related business revenue
 - \$14 billion in personal income
 - \$5 billion in federal, state, provincial and local taxes each year

- Every year, 164 million metric tons of cargo is moved on the System - iron ore, coal, stone, salt, grain and steel that supply North American steel mills, power stations, factories, and food manufacturers
- As the most cost effective way to transport goods, ships not only help businesses export competitively but also save consumers money on the products they buy
- These are important messages that bear repeating
- We need to get the message out to the public:

As the delivery network for commodities, the marine industry is at the beginning of the manufacturing process for the automobiles they drive, the office buildings they work in, the energy that heats their homes, and the food they put on the dinner table

- Most people just don't realize the impact that marine shipping has on their daily lives – so it's up to all of us to tell them
- These points have all helped shape my priorities as Seaway Administrator
 - Overall, must not lose sight of the importance of balancing economic and environmental objectives – increasing the economic output and jobs created in the region as well as improving and preserving the ecological quality of the region
 - These goals are not mutually exclusive
 - The Seaway provides a model of how to promote the environment and the economy
- Some specific priorities:
 - **Safety** – enforce commercial shipping and workplace safety programs, including leveraging technology and training to enhance the Seaway's performance and safety

- **Investment** – invest in the SLSDC’s infrastructure needs and employee skills and closely coordinate with Canadian Seaway Corporation on similar investments
 - **Sustainability** – meet sustainability requirements for SLSDC facilities and operations and continue pro-active approach to resolve the problems posed by aquatic invasive species
 - **Competitiveness** – promote the economic and environmental benefits of the marine mode and attract new cargoes to the Seaway
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- The Port of Duluth-Superior is the ‘anchor’ of the Great Lakes Seaway System
 - Historically a tonnage leader, the Duluth Seaway Port Authority generates the kind of business that keeps its bragging rights intact
 - I look forward to working with all of you to continue the success story of this port and of the entire Seaway System
 - Enough from me, I’d like to hear your ideas...
 - Where you see the challenges
 - Where you see the opportunities
 - How we can work together to grow the System