



# THE PORT of Port Lavaca - Point Comfort

CALHOUN PORT AUTHORITY

(361) 987-2813 • Fax (361) 987-2189 • FM 1593 South • P.O. Box 397 • Point Comfort, Texas 77978  
*Providing the Texas Mid-Coast Region With Direct Deep-Draft Access to Global Markets*

For The Wave  
 Contact: Robert H. Van Borssum, (361) 987-2813  
 Email: rhvb@portofplpc.com

March 27, 2006

## Matagorda Ship Channel Falling Behind

### First In A Series

With an operating depth of only 36 feet the Matagorda Ship Channel is the shallowest of all Texas deepwater ship channels.

| Depth of Texas Deepwater Ports |                         |                         |             |
|--------------------------------|-------------------------|-------------------------|-------------|
|                                | Current Operating Depth | After Deepening Project | Status      |
| Port Lavaca-Point Comfort      | 36'                     | 42'                     | Proposed    |
| Beaumont                       | 40'                     | 48'                     | In Progress |
| Port Arthur                    | 40'                     | 48'                     | In Progress |
| Orange                         | 40'                     | N/A                     | N/A         |
| Galveston                      | 40'                     | 45'                     | In Progress |
| Texas City                     | 40'                     | 45'                     | In Progress |
| Houston                        | 45'                     | N/A                     | N/A         |
| Freeport                       | 45'                     | 60'                     | In Progress |
| Corpus Christi                 | 45'                     | 52'                     | Approved    |
| Brownsville                    | 42'                     | 48'                     | In Progress |

The Calhoun Port Authority is working to change this picture and strengthen the community's economic sustainability. It has filed an application for a Corps of Engineers permit that would allow the Matagorda Ship Channel to be deepened to 42-44 feet and widened to perhaps 400 feet. The current channel is just 200 feet wide, restricting deep draft ship movements to one-way traffic.

The Matagorda Ship Channel stretches 25 miles from the Gulf to public and private terminal facilities at Point Comfort and has not been deepened or widened since it was built in 1962. With each passing year this 36 foot dimension becomes less competitive and less able to serve the larger ships that now make up a growing majority of the world fleet.

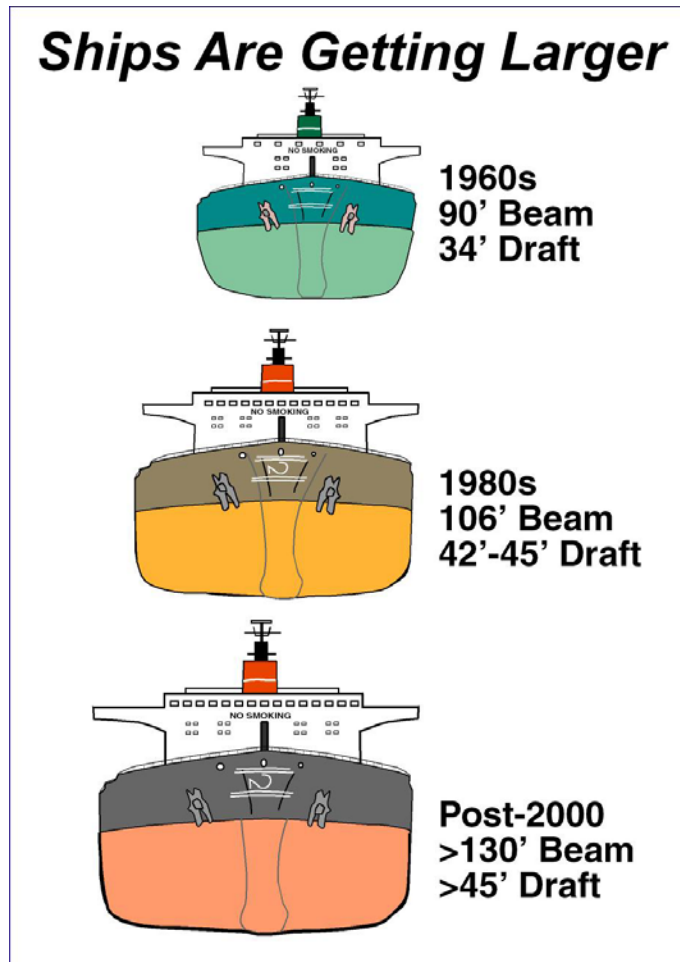
**Port Authority Board Members:** Paul R. Blasingim, *Board Chairman*; Roger G. Martinez, *Board Secretary*; H. C. Wehmeyer, Jr.; Leo J. Kainer; J. C. Melcher Jr.; Shields A. Holladay, Sr.

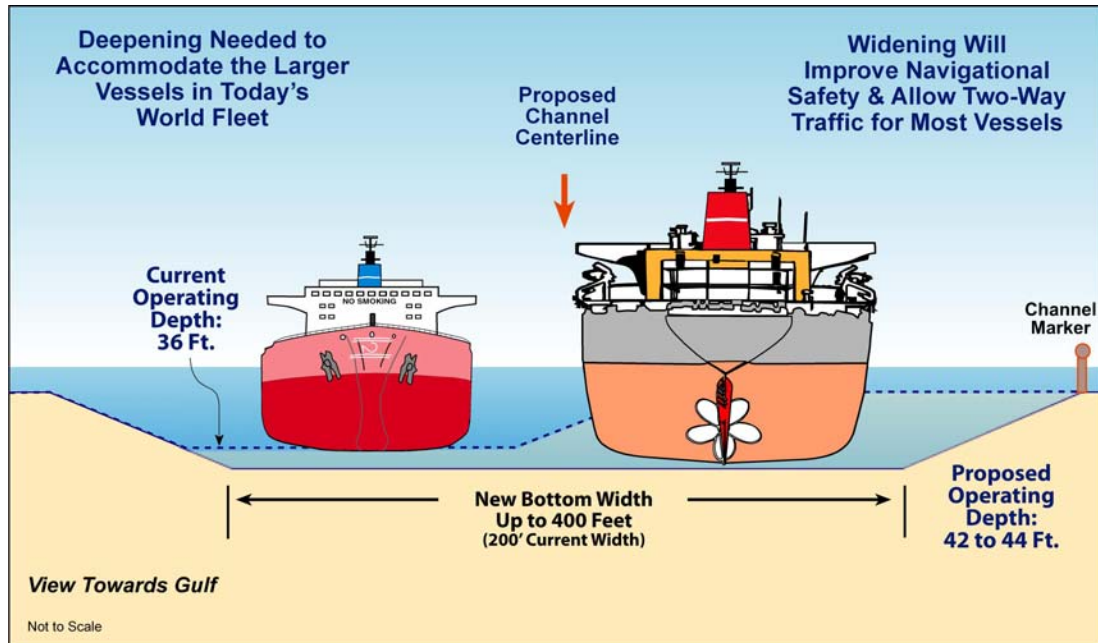
**Executive Staff:** Robert H. Van Borssum, PPM<sup>®</sup>, *Port Director*; Wanda Roberts, *Port Counsel*

“The first generation of ship channels built before 1960 were 30 to 36 feet deep,” explains Port Director Robert H. Van Borssum. This was all that was required for ships in the 1960s. “Other Texas ports moved ahead decades ago as financial resources were available to a second generation of ship channels at 40 to 45 foot depths. Now they are moving into a third generation with ship channel depths that will be 50 to 60 feet deep. The Matagorda Ship Channel still has first generation dimensions that are more appropriate to the 1960s than to the demands of modern ships and the industries that need them.”

The size of ships has steadily increased over the past 40 years. Most deep draft ships are now second and third generation in size, too large to transit the Matagorda Ship Channel fully loaded. A recent analysis found that approximately 93% of deep draft vessels currently transiting the Matagorda Ship Channel must be light-loaded. This light loading results in significantly higher transportation costs for the Calhoun County industries whose products are being shipped world wide and therefore negatively impact the cost of doing business for Calhoun County industries.

“Our goal in seeking an improved ship channel is to meet the challenge of keeping Calhoun County industries that are dependent on the Matagorda Ship Channel competitive,” Van Borssum said.





Another reason the port chose to pursue channel improvements is the likelihood that the Matagorda Ship Channel will in the future serve additional industrial facilities in Calhoun County that would also benefit from greater channel depth. Industries such as the proposed Calhoun Liquefied Natural Gas (LNG) regasification terminal, the Nucoastal/Joslin power plant conversion which will modify the facility to use petroleum coke as fuel, and the proposed Formosa Plastic's pet coke power generation project.

Another significant benefit of deepening and widening the Matagorda Ship Channel will be enhanced navigation safety. A channel bottom width of 400 feet would allow safer two-way traffic for most deep draft vessels, barges, commercial and recreational boats. It will also contribute to reduced ship delays and the additional cost of these delays.

While preliminary studies indicate that significant benefit would be from a channel 42 to 44 foot deep with a bottom width of possibly 400 feet, the ultimate dimensions of the improved ship channel will be determined through upcoming studies and will be based on the deep draft transportation requirements of current and potential future users of the Matagorda Ship Channel.

### **Port Authority Takes Initiative**

The Matagorda Ship Channel was constructed by the federal government and is maintained by the U.S. Army Corps of Engineers in partnership with the Calhoun Port Authority which is the channel's non-federal sponsor. The concept of improving the Matagorda Ship Channel is not new. Local leaders were successful in getting Congress to authorize a reconnaissance deepening study in 1988. The Corps of Engineers completed the initial Reconnaissance Study in 1990. That study resulted in the determination that Matagorda Ship Channel improvements are economically feasible and in the national interest. Federal funding limitations in recent years have, however, halted additional Corps studies on this project.

Van Borssum said the Port Authority Board decided to pursue this permit process in an effort to expedite the project.

“The reality is that the federal waterway improvement process could take 15 years or longer. We face very stiff competition in the congressional appropriations process both from other federal governmental programs and from larger more politically powerful ports in Texas and around the country. We recognized that the federal process would never produce the funds needed to improve our channel and that means we would continue to fall further behind if we did nothing. The Board felt that our only option at this time was to take the initiative and keep this channel improvement project advancing,” he said.

The 1960s dimensions of the Matagorda Ship Channel have become a limiting factor on the future sustainability of Calhoun County industries and the area's economy. The Port Board clearly recognized the need to be proactive in trying to complete this permit process in the near term – not sometime in the far distant future.

So instead of waiting for Congress to approve funds, the Calhoun Port Authority elected to take on all permitting activities, engineering, data collection and studies that are needed for the Corps to make a permit decision.

To ensure that this process meets the rigid federal requirements, the Port Authority Board has approved a Memorandum of Agreement (MOA) with the Corp of Engineers (COE) under which the COE will use its expertise to review any and all work done on this permit process and make sure it is completed to COE standards. This review will also include a

formal Independent Technical Review by the COE Deepdraft Navigation Center of Expertise in Mobile, Alabama. Van Borssum said the COE will be involved at every step of the process. The COE will also prepare the economic evaluation for this project's feasibility report.

Port officials and representatives of Calhoun County industries journeyed to Washington, D.C., in early March to brief federal lawmakers and staffers of this developing ship channel improvement project in addition to jetty and channel maintenance appropriations issues.

Van Borssum said getting the Matagorda Ship Channel improvements permit issued is the Port's focus right now. Just having this permit in hand will be a very valuable resource in helping attract additional private investments to Calhoun County. It will also be of value to current Matagorda Ship Channel users as they plan for the future.

"Once we've got the permit in hand then we can talk with our private sector partners about how we are going to move forward towards having these channel improvements constructed," he said.

The Matagorda Ship Channel improvement permit application was filed with the Corps of Engineers on Jan. 12, 2006. This filing started a well-established federal environmental review process that will require multiple exhaustive studies, coordination with state and federal agencies, and ongoing opportunities for the public to offer helpful information, suggestions and comments.

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The Wave will be presenting a series of stories on the proposed Matagorda Ship Channel Improvement Project permitting effort. Next in the series: Permitting process involves many participants and a wide scope of studies.