LAKE CHARLES HARBOR
AND TERMINAL DISTRICT
Regional Port Impacts

- Creates 31,325 Jobs
- Generates $2.3 Billion in Personal income
- Produces $4.6 Billion in Business Revenue
- Generates $250 Million in State and Local Taxes

Source: Martin Associated, 2007, Economic Impact of the Port of Lake Charles
National Port Impacts

12th Largest Seaport in the U.S.
Handles 55 million tons of cargo annually
A Strategic Energy Waterway

Produces 10% of the motor oils used in U.S. daily
Currently Home to the Largest U.S. LNG Plant
Stores 1/3 of the Strategic Oil Reserve
In 2006, a nine day channel closure increased U.S. energy costs $1 Billion.
The Future Expansion of Trunkline LNG
The Future

Cameron LNG Fully Operational 4th Qt 08

Cheniere LNG Planned
The Future

La. Cogeneration Plant (SNG) Planned
By 2011

5th Largest U.S. Seaport

Import 20% of U.S. LNG (42 M Tons/Yr)

Vessel Traffic Increase 70% to 80%
Lake Charles

The biggest little port you’ve never heard of
What if the Port had to Close?
Is That Possible?
Yes!
The Port Faces
A Major Challenge

Lack of Dredge Material Disposal Capacity
Project Dimensions

Bar Channel (32 Miles) : 600 X - 40

Inland Reach (36 Miles): 400 X - 40
The Port Cannot Exist Without Dredging

32 Mile Outer Bar
36 Mile Inland Channel
Mostly Manmade
High Shoaling Rates
CDFs At or Near Capacity
Historic Dredging Schedule

Channel Divided Into 5 Sections

Outer Bar – Dredged Annually
Mile 0 to 5 – No dredging necessary
Mile 5 to 17 – Lower River – Dredged Every Other Year
Mile 17 to 30 – Middle River – Dredged Every Other Year
Mile 30 to 36 – Upper River – Dredged Every 5 to 7 Years
Historic Disposal Strategy

Outer Bar – Ocean Dumping

Inland Reach – Confined Upland Disposal Sites
Along the Channel
Middle River
Miles 17 to 30
Upper River
Miles 30 to 36
The Challenge

Better Manage Current Disposal Sites
Identify Additional Disposal Sites

The Solution

Develop A Dredge Material Management Plan
DMMP

20 Year Plan for Dredge Material Disposal

To Be Updated Every 5 Years

Identify Dredge Material Disposal Strategies That Maintain the Channel at Project Dimensions
The DMMP Process

Long

Arduous

Often Frustrating

Expected to Take 2 years

Likely 2 ½ Years Plus Approval

Determine Future Disposal Needs (20 years)

Determine Future Disposal Capacity of Existing Sites If Well Managed

Identify Additional Disposal Sites to Cover Any Shortfall
But Nothing Is As Easy As It Seems

Shoaling Study
Geotechnical Study
Hydrodynamic Study
Cost Estimation
Plan Formulation
Biological Resource Study
HTRW Analysis
Cultural Resource Study
Oyster Resource Study
CZMA Consistency Determination
Endangered Species Coordination
FWCA Report
Agency and Public Comment, and
Compliance Determination with Environmental Laws, Regulations and Executive Orders
Plus Unexpected Hiccups

The HTRW Found
Clean Water
Clean Sediment

But All the Critters Died

Conclusion
The EPA-Approved Critters Were Not Indigenous And Could Not Live In The Material
Four Alternatives Considered

**Do Nothing**

Closes the Channel

**Ocean Dumping**

Least Cost - $400 Million

Port/State/Public Won’t Approve

**CDF Expansion and BU – Option 1**

CDFs Plus 8 BU Sites

$422 Million

**Optimize BU – Option 2**

CDFs Plus 14 BU Sites

$405 Million
Tentatively Selected Plan

CDF Expansion and BU – Option 1

Twenty Year Costs

- Federal Costs - $378 M
- Sponsor Costs - $50 M

Advantages

- Meets 20 year Disposal Needs
- Creates Wetlands

Disadvantage - Very Costly
What’s Next

Have Option 1 Approved

Have Option 1 Funded
Doubles the Historic Maintenance Costs

Paying for Past Sins – Not Properly Maintaining CDFs

Increased Cost to Properly Maintain CDFs in the Future

Increased Disposal Cost (Longer Pumps to BU Sites)
What’s Needed

Joint Action by All Ports Similarly Situated to Increase Maintenance Funding

Appropriate Total Annual HMF Collections for Maintenance

Spend Down the HMF Surplus