

Subject: Proposal for a study for improvements of the Houston-Galveston Navigation Channel system

1. Non-Federal Sponsor. Port of Houston Authority of Harris County, Texas; additionally, the Port of Galveston (current project co-sponsor) and the Port of Texas City are likely to participate as additional non-federal sponsors.
2. Description of Request.
 - a. The non-federal sponsor requests a study of improvements to the Houston-Galveston Navigation Channels system, including the main ship channel and Bayport and Barbours Cut tributary channels, to include widening and deepening and other such improvements as are necessary to assure safe navigation, all to meet the requirements of Section 905(b) of the WRDA of 1986, as modified by Section 1002 of the WRRDA of 2014.
3. Project Purpose. To improve channel efficiencies, productivity, and for navigation safety improvements for this nationally significant port. A reevaluation of the 1986 feasibility study, which recommended a 600-foot wide 50-foot deep (MLT) channel is warranted based on current navigation safety issues identified by the Corps of Engineers, and changes to maritime commerce that have occurred over the past several decades. The 1995 LRR recommended a 45-foot deep 530-foot wide channel, which was authorized by WRDA of 1996 and completed in 2005 (general navigation features).
4. Estimate Cost of Study: \$6,000,000 total (federal cost of \$3,000,000).
5. Description of Anticipated Benefits.
 - a. The study is expected to result in a recommendation for improvement of the major channels of the port which ranks first in the nation in foreign commerce (tonnage), first in export value, and to which over 8,000 deep draft ships call annually. A subsequent construction project would be expected to result in net NED benefits of over \$100 million per year. By any standard, the Houston Ship Channel's potential and volume of commerce is restrained by both its width and depth.
 - b. The study would likely result in recommendations to resolve current navigation safety deficiencies which has the potential to contribute to accidents which could shut down the nation's busiest waterway. The Houston Ship Channel currently receives commerce valued at over \$380 million per day. A short term stoppage of ship channel commerce has an immediate and potentially lasting impact to the national economy.
6. Statement of Local Support. The Houston Ship Channel and its tributaries support the largest petrochemical complex in the United States, which is the backbone of the regional/U.S Gulf coast economy. The channels and associated industries have strong local and state support. The Port of

Houston has been described as “irreplaceable” because the security and vital industrial infrastructure are one of a kind. Federal authorization will be transparent to the general public.

7. NFS Statement of Financial Capability. The Port of Houston Authority is the non-federal sponsor of the Houston Ship Channel (part of the Houston-Galveston Navigation Channels project), and the Bayport and Barbours Cut Ship Channels, and has the financial capability for continued support of the waterways as described by the existing project agreements for each channel, and the Project Cooperation Agreement for the Houston-Galveston Navigation Channels project. Additionally, the Ports of Galveston and Texas City, which share the use of the Houston Ship Channel entrance reach, are likely to participate as additional non-federal sponsors for the project, and bring additional financial capability to the program.
8. Statement of Support. The Port of Houston Authority fully supports a specific federal feasibility study for improvements to the Houston-Galveston Navigation Channel system.