Statement of Mary Ann Bucci Executive Director, Port of Pittsburgh Commission before the Pennsylvania Senate Environmental Resources Committee and Pennsylvania Senate of Labor and Industry Committee The Importance of Pennsylvania's Waterways to Energy and Economic Development October 13, 2022

Chairman Yaw, Chairman Bartolotta and members of the committees, I thank you for the opportunity to testify before you today.

I am the Executive Director of the Port of Pittsburgh Commission. In order to create jobs and improve the quality of life in southwestern Pennsylvania, it is the mission of the Port of Pittsburgh Commission to promote the commercial use and development of the inland waterway, intermodal transportation system and to integrate that system into the economic, recreational, environmental, and intermodal future of the resident and industries in southwestern Pennsylvania.

Our waterways are the lifeblood of the region's economy. They encompass two hundred miles of navigable waterways and include 17 locks and dams through which approximately 16 million tons of freight traffic, valued over \$2 billion per year must pass. This waterway network directly reaches no less than 12 Pennsylvania counties and supports 76,500 jobs and \$11.3 billion in gross state product, \$5.5 billion in personal income, 25.6 billion in total output giving rise to \$1.1 billion in state and local tax revenue.

Also factoring into the overall economic impact, is the multi-year construction of the Shell Chemical ethane cracker plant in Beaver County Pennsylvania. This facility will result in an economic energy surge for supporting businesses as well as increased transportation needs. The Shell plant will create 600 permanent jobs, and during the peak of the facility's construction, utilized 6000 construction workers. Even if the cracker plant does not employ waterways transportation directly for raw materials or finished products, construction activities and related support certainly will to some degree.

U.S. Steel's Clairton Plant on the Monongahela River is entirely dependent on barge transportation for its raw material. It brings in five million tons of metallurgical coal annually for the production of coke.

Heartland Fabrication LLC offers Marine services (barge construction and repairs), Metal Processing (blasting, priming, cutting, and bending), and Coatings (painting large structures to exact specifications). They have invested \$35 million in upgrading equipment and facilities and continue in their facility. Heartland Fabrication employs two hundred people. Another waterway-supported industry related to energy is hydropower.

There are four operating hydropower plants on dams on the Allegheny River in the Port of Pittsburgh, generating a total of forty-two megawatts, and another plant is under construction.

All of this is dependent on the reliable navigation of our rivers, just as commerce everywhere else throughout the country is dependent upon adequate roads and railway networks. The inland waterway system is vital to Pennsylvania's energy future and to its continued economic development.

As your committees continue to consider energy resources and labor, we urge you to appreciate the conduit of the inland waterways and port system to Pennsylvania's competitiveness and growth. Investing in our ports, terminals, and other related industries is an investment in Pennsylvania's economic prosperity because, coal, petroleum, steel chemicals, building materials and over 76,000 jobs are riding on our waterways transportation system in the Port of Pittsburgh Commission's region.

This concludes my testimony. Thank you for providing this opportunity to be here today to address this critically import subject.