Mr. Chairman and Members of the Committee, thank you for the opportunity for the U.S. Army Corps of Engineers to testify regarding the status of the Mississippi River transportation system. The Corps has had a navigation mission since the Survey Act of 1824. Since that time, the Corps has helped serve commercial navigation through the construction, operation, and maintenance of ports and waterways across the Nation. The goal of the Corps navigation mission is to help facilitate commercial navigation by providing safe, reliable, highly cost effective and environmentally sustainable waterborne transportation systems. My statement will consist of information on the current conditions of the Mississippi River navigation system and current projections of water levels and other potential impediments related to the movement of waterborne commerce on this system over the next six months.

Inland Waterways Generally

The Mississippi River serves as a major transportation artery for the movement of bulk commodities such as agricultural products and petroleum products. It is part of the Federal inland waterways navigation system, which includes nearly 12,000 miles of commercial waterways, rivers, and harbors developed and maintained by the Corps. The inland waterway system carries one-sixth of the Nation's volume of intercity cargo, about 630 million tons annually. The inland waterways include 192 commercially active lock sites with 238 lock chambers. Some locks have more than one chamber, often of different dimensions. These locks enable barges to "stair step" through a series of navigation pools and reach distant inland ports such as Minneapolis, Chicago and Pittsburgh.

In terms of ton-miles of cargo, the vast majority of the traffic on the inland waterways travels along three principal corridors - the Mississippi River, the Ohio River, and the Illinois Waterway. Since the 1960's, the Federal government has invested heavily in the maintenance and major rehabilitation of the locks and dams on these high commercial-use waterways. These investments support substantial movements of agricultural products, energy-related materials, and other bulk commodities. Under this Administration, the Corps is giving priority to the continued maintenance and major rehabilitation of these waterways.

KATRINA RESPONSE

After Katrina struck Louisiana, numerous barges and tow boats were impacted, many of which contained agricultural products for offloading at one of the many grain facilities in the New Orleans area. At the same time, all shipping into and out of New Orleans was halted. This had a major impact in the short-term on the ability to move petroleum products and grain.

Immediately after Hurricane Katrina passed, Federal agencies, including NOAA, the U.S. Navy, the U.S. Coast Guard and the Corps began to assess the condition of the Mississippi River, as well as all other impacted ports and waterways. This monumental task was completed much sooner than projected thanks to the coordinated Federal effort. The assessment was significantly enhanced by extraordinary efforts of the Gulf Intracoastal Canal Association and

Waterways Council, Inc. They immediately arranged daily conference calls with the users, other Federal agencies, and other pertinent trade organizations and shipping interests. At a time when communication was so critical and yet so difficult, this was an extremely effective means of managing the many issues associated with restoring navigation channels to their full capability and coordinating the information necessary to ensure rapid recovery of barges and vessels scattered throughout the New Orleans area. The Mississippi River has been successfully restored to full deep draft operation and many of the barges and vessels have been retrieved and placed back into service.

UPPER MISSISSIPPI RIVER CONDITIONS

Near Term and Mid Range Weather Forecast

The following graph prepared by the National Oceanic and Atmospheric Administration (NOAA) suggests that the upper Midwestern states have a 33% chance of not experiencing any unusual dry weather conditions during the upcoming winter season.

The mid range temperature outlook shown in the graph below suggests warmer than normal conditions for the central part of the Nation.

Near Term and Mid Range River Stage Forecast

Under a worst case scenario assumption, if it does not rain at all in the next three weeks in the entire river basin above St. Louis, the stage at St. Louis is forecast to be -2.9 feet. If it does not rain at all in an additional week, for a total of four weeks, the stage could fall to -3.7 feet at St. Louis. It should be noted that the river fell to -1.5 feet earlier this year.

From looking at a hydrograph for the St. Louis area, which is representative of the Middle Mississippi (between St. Louis, Missouri and Cairo, Illinois), it is reasonable to anticipate some fairly low stages during the next few months. However in looking at the Cairo, Illinois gage, which is representative of the Lower Mississippi, it is highly unlikely that stages lower than those reported earlier this year would be encountered in the near future. Under the conditions that we could reasonably expect to encounter over the next six months, stages on the Upper Mississippi above St. Louis generally can be controlled during dry periods by locks and dams. Therefore most of the following discussion will be focused on the Middle Mississippi.

MIDDLE MISSISSIPPI RIVER CONDITIONS

Stage Impacts on Drafts and Tow Sizes

River stages do not directly relate to allowable drafts and tow sizes. There are many other factors that are taken into consideration when deciding what prudent restrictions should be in place. However, based on historical actions, some comparison can be made. On the Middle

Mississippi, drafts are historically unrestricted as long at the St. Louis gage is above 0.0. Once stages reach, or are forecast to reach, the -2.0 feet to -3.0 feet stage, drafts have usually been reduced to less than 10 feet. Provided the stages fall at a reasonable rate and there is not a catastrophic grounding which disturbs the bottom of the river, drafts of 9 feet or better can usually be accommodated with dredging. There are rock ledges on the lower portion of the Middle Mississippi. This rock would limit drafts to 10 feet or less at a stage of 2.2 feet on the Cape Girardeau, Missouri gage. In addition to draft restrictions, tow sizes are also reduced as stages fall. Unrestricted tows on the Middle Mississippi are usually in the 36 to 40 barge range. With stages approaching 0.0, this would possibly be reduced to 30 barges or less. In the -2.0 to -3.0 feet stage, tows would likely be required to be made up of 24 barges or less. With extreme low stages, tow sizes might actually be reduced to 12 to 15 barges. However, this is very much dependent on the actual channel conditions. Decisions regarding restrictions on tow sizes and drafts are made through a collaborative effort of the Corps, the U.S. Coast Guard, the National Weather Service and the towing industry.

Channel Maintenance

The Corps' primary role is monitoring channel conditions, assisting the Coast Guard in locating and marking channels and dredging as required. There are three dredges currently working on the shallow draft channels of the Mississippi River. A Government dustpan dredge and a contract cutterhead dredge are working in the Middle Mississippi and a Government dustpan dredge is working on the Lower Mississippi near Memphis, Tennessee. In addition to these dredges, the Corps has the ability to bring several others into the region if required. There are two other large dustpan dredges that could be called upon if needed as well as other cutterhead dredges.

Ice

Historically ice has resulted in suspension of commercial navigation on the Upper Mississippi above St. Louis from mid-December until mid-March. In conjunction with this, Locks 11 & 19 are scheduled to be closed for Major Rehabilitation from December 15, 2005 through March 15, 2006. Historically ice does not result in a complete closure on the Middle Mississippi. It can cause traffic delays and short-term stoppages. This is not an annual event and usually occurs in the January to February time frame.

SUMMARY

Given the uncertainty of the weather, it is impossible to predict what channel conditions will be for the rest of the year. Additionally due to the dynamic nature of the river, the Corps cannot guarantee that there will not be any closures. However, for the reasons given above, it is unlikely that there will be any long-term closures or catastrophic disruptions to barge movements due inadequate channel conditions. The Corps is committed to maintaining this high-use commercial waterway in a sound condition. We will remain diligent in monitoring channel conditions through surveys and communication with towing companies to assure that potential problems are recognized early and resource requirements are addressed appropriately.

This concludes my statement. Thank you for this opportunity and we would be happy to answer any questions.