



7/30/2007

PA Politics Presents False Promises on the Deepening

July 30, 2007 Pennsylvania Senators announced continuing support for the Delaware River Deepening. According to the Delaware Riverkeeper Maya K. van Rossum “the promises being made are false, and doing a disservice to all communities of the region that rely on the River and its ports.”

In February 1992, the U.S. Army Corps of Engineers recommended a plan to deepen the Delaware River main navigation channel from 40 to 45 feet. The current official Army Corps cost estimate for this project is \$277 million with \$185 million being paid by the federal government and \$92 million being paid by the local sponsor. By agreement between the states of New Jersey and Pennsylvania local sponsorship of the project transferred on May 17 from the Delaware River Port Authority to the Philadelphia Regional Port Authority.

According to van Rossum: “there is no credible economic or environmental justification for this project.”

In June 2002, after an in depth review, the GAO issued a report challenging the Army Corps’ economic findings for the Delaware River Deepening and demonstrating that it is not economically viable. The GAO found:

- “The Corps’ analysis of project benefits contained or was based on miscalculations, invalid assumptions, and outdated information.”
- “We determined that the net effect of the miscalculations, invalid assumptions, and outdated information on the Corps’ \$40.1 million annual project benefit estimate by applying an eight-step iterative approach. ... the net effect of the eight steps was a reduction in the estimated annual project benefits to about \$13.3 million (in 1996 dollars).” Based on the GAO facts, figures and findings the benefit-cost ratio of the deepening project has been calculated at “46 cents for every dollar spent.” In 2006, the GAO continued to question and challenge the Army Corps findings as they related to the Delaware River Deepening. In a statement before the House Subcommittee on Energy and Resources a GAO representative testified:
- “For the Delaware Deepening Project, GAO found credible support for only about \$13.3 million a year in project benefits compared with the \$40.1 million a year claimed in the Corps’ analysis.”
- “GAO’s recent reviews of four Corps civil works projects [including the Delaware Deepening] and actions found that the planning studies conducted by the Corps to support these activities were fraught with errors, mistakes, and miscalculations, and used invalid assumptions and outdated data. Generally, GAO found that the Corps’ studies understated costs and overstated benefits, and therefore did not provide a reasonable basis for decision-making.”

Delaware Riverkeeper Network

300 Pond Street, Second Floor
Bristol, PA 19007

tel: (215) 369-1188

fax: (215) 369-1181

drkn@delawariverkeeper.org

www.delawariverkeeper.org

Largely in response to the GAO 2002 report as well as the increasing opposition and criticism of the project, the Army Corps, in 2004, issued its 6th report on the proposed Delaware River Main Channel Deepening Project titled "Supplement to Comprehensive Economic Reanalysis Report, December 2002".

A report issued by environmental organizations in March 2007 found that "Rather than substantiate and justify the benefits claimed for this project, the February 2004 Supplement actually bolsters the widely held belief that the Delaware River Deepening project is not defensible."

The environmentalists' report discusses toxic threats posed by the Delaware deepening project; threats and harms to aquatic life and wildlife including horseshoe crabs, oysters, shortnose sturgeon, sportfish, Red Knot rufa, peregrine falcon and bald eagle; and raises concerns about the implications of channel deepening for exacerbating the harms threatened by sea level rise.

According to Delaware Riverkeeper van Rossum: "It is shocking that Pennsylvania Senators would be so irresponsible as to continue to press this project. By any reasonable measure, the Delaware River Deepening has never been shown to be worth doing; it still lacks economic justification and poses significant threats to the ecosystems and communities of the Delaware River Valley. According to the Army Corps' own figures the project brings in only 82 cents of benefit for every dollar invested."

For a copy of Delaware River Deepening -- Dumped Again go to www.delawariverkeeper.org