

Thank you Chairman Simpson, Ranking Member Kaptur, and distinguished members of this Subcommittee for allowing me to testify this morning regarding this important FY18 Energy & Water Appropriations Bill.

While there are many important issues addressed in the Energy and Water Appropriations bill, I am here today to discuss the Soo Locks, which is the linchpin for Lake Superior's access to the Great Lakes Navigation System and the Saint Lawrence Seaway. And the

importance of constructing a new \$600 million lock to replace the existing facility, which has clearly outlived its usefulness.

To put this into perspective, 13% of our Nation's Gross National Product must clear the Locks, including some 4,000 ships annually – most originating in Duluth.

Roughly 80 million tons of raw goods and materials run through these locks.

So the economic importance of the Soo Locks can hardly be over-emphasized.

The Poe Lock is the only lock large enough to accommodate these huge, 1000-foot long Laker ships. So back in 2015, the Department of Homeland Security (DHS) performed a study of what the catastrophic closure of the Poe Lock due to terrorism, natural disaster, or collapse from obsolescence and neglect would do to our Nation and our economy.

The study's conclusions were deeply concerning. Our Nation would quickly find itself in the midst of another Great Depression.

We are talking about 10 million good-paying jobs lost – not just to the Great Lakes Region, but from border to border – through California, Texas, Arizona and all the way up the St. Lawrence Seaway.

Our automobile industry, our manufacturing production, our steel mills, our mining operations – would be laying off workers and closing their doors.

The reality is – all of these businesses rely on shipping on the Great Lakes because

they have limited or no efficient access to rail or truck.

And even if they did, transporting their bulk-material would not be affordable.

Based on the amount of iron ore steel mills need to maintain business, a truck would have to enter a steel mill, unload, and leave every 2.4 minutes.

That is neither sustainable nor efficient.

There are 13 Lakers on the Great Lakes, each carrying about \$4 million worth of iron ore.

Each one of these Lakers has an economic output of over \$1.6 billion.

So it is clear that the only safe, efficient and sustainable way to move this cargo is by ship.

And as I noted earlier, the only lock at the Soo Locks that can handle the size of these Lakers is the Poe Lock.

And it is clear the Poe Lock is aging; all of the locks are aging.

And even though the Poe Lock is aging and we will need to develop plans for an update or replacement in the future – the current need is to replace the smaller, further aging Sabin and Davis locks with a new lock large enough to handle the big Lakers to complement the Poe.

To start this process, in 2015 we were successful in getting \$1.35 million for a cost-benefit analysis study of a new \$600 million lock.

This is a great first step, but we all know the outcome: the benefit far outweighs the cost.

Therefore, it is vital that the Congress provide sufficient funding for the Army Corps of Engineers' Navigation program, so that projects like this can move forward.

This is a great long-term investment for our Nation.

We are talking about more shipping efficiency; economic growth; more business opportunity and investment; and more good paying middle class jobs.

And that is what this is all about.

Thank you again for giving me this opportunity to testify and I look forward to working with all of you to get this done!