86th Annual Transportation Short Course
October 16, 2012
Katie Turnbull
Texas A&M Transportation Institute
Presentation Outline

- Panama Canal Expansion
- TxDOT’s Panama Canal Stakeholder Working Group
- General Findings
- Questions
Transfer of the Canal to Panama

- Change in Business Model
- Modernization and Investment Program
- 2006 Referendum
Panama Canal Program Objectives

• Maintain Canal Competitiveness and Value of Route
• Increase Capacity and Allow Larger Ships
• Reduce Water Consumption
• Improve Safety and Efficiency
• Sustain Tonnage and Profitability Growth
The Panama Canal - 2014

GAME CHANGER?
Locks and Vessel Size

**Existing Locks**
- Maximum Vessel Size: 4,400 TEU

**New Locks**
- Maximum Vessel Size: 12,600 TEU
Texas Ports – Economic Engine for the State

- First Nationally in Exports and Waterborne Commerce
- Houston, Corpus Christi, Beaumont, and Texas City – Among Top 10 Ports
- One Million Jobs and Over $135 Billion in Economic Value to State

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Impacts on Texas Ports from the Panama Canal Expansion

Eduardo Hagert
Coby Chase
Marc Williams
Duncan Stewart
Roger Beall
Jay Bond
Gus Khankarli

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Honorable Ed Emmett, Harris County Judge, Chair
Honorable Carlos H. Cascos, Cameron County Judge, Vice Chair
Mr. Joseph Adams, Union Pacific
Mr. Steve Boecking, Alliance Texas
Mr. Aaron Demerson, Office of the Governor Economic Development and Tourism
Mr. Kenneth Dierschke, Texas Farm Bureau
Mr. John Esparza, Texas Motor Transportation Association
Mr. Jim Greenwood, Texas Oil and Gas Association
Mr. James Griffin, East Harris County Manufacturers Association
John LaRue, Texas Ports Association
Mr. Fred Malesa, BNSF
Mr. Carlton Schwab, Texas Economic Development Corporation
Mr. Jack Todd, Texas Association of Manufacturers
Mr. Rigoberto Villarreal, City of McAllen
Colonel Leonard Waterworth, Port of Houston Authority
Identify short-, mid-, and long-term TxDOT transportation improvements that will better position the State of Texas to take advantage of the Panama Canal Expansion and enhance Texas’ role in global trade.
Panama Canal Stakeholder Working Group
Meeting Dates

- Corpus Christi: 8/1
- Brownsville: 9/14
- Beaumont: 8/28
- Houston: 8/27
- Dallas/Ft Worth: 9/10

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General Findings

• Panama Canal Expansion and Other Factors Combine to Create a Game Changing Situation

• Shippers and Carriers Want Flexibility and Options

• Reliability, Cost, and Time are All Important
General Findings

- Texas Well Positioned – Export and Imports
- Export Focus – Jobs, Economic Development, Future Growth
- Multi-Modal Transportation System – Strategic Investments
- Supporting Programs and Policies
Export Focus

- Petrochemical Products
- LNG
- Agricultural Products
- Military Cargo
Multimodal Approach

- Ports
- Gulf Intercoastal Water (GIWW)
- Roads
- Railroads
- Pipelines
- Multimodal/Intermodal Facilities
- Programs and Policies
Orange
Port Arthur
Sabine Pass
Galveston
Freeport
Port Lavaca - Port Comfort
Port Isabel
Brownsville
Harlingen
Mansfield
Victoria
Cedar Bayou
Palacios
Corpus Christi
Houston
Beaumont
Orange
Port Arthur
Sabine Pass
Galveston
Freeport
Mansfield
Harlingen
Port Isabel
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Next Steps

• Draft Report in October
• November 12 and 13 Meeting
• Report to Commission in December
Possible Follow-Up

- Unified Voice
- Coordinated Approach
- Texas Global Gateway
- Future Role of Working Group?
Website
www.txdot.gov/panama_texas

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Questions?