

Statement of Clarification – Data Set Discrepancy

The Horinko Group’s December 2013 report entitled, *Proposed Public-Private Partnership Projects for U.S. Inland Waterways Infrastructure Financing, Operations, and Governance*, cited the USACE Navigation Data Center CY 2012 data set in order to capture present commodity tonnage and trends at a number of lock sites on the Upper Mississippi River System.

Our research was completed during the October-November 2013 timeframe and prior to a CY 2013 update of the data set, which was posted in February 2014 several weeks after the report was finalized and submitted.

Upon reviewing the CY 2013 data set and finding that the updated data set was in conflict with the CY 2012 data set, we felt it important to address and correct the matter in order for interested parties to see where tonnage trends in the data sets were in conflict, where data system administrators made corrections, and how those corrections effect our report conclusions, if at all.

In order to treat the matter simply and with maximum clarity, we are providing readers with a tabular comparison of the CY 2012 and updated CY 2013 data, and trends as a percentage change in tonnage over time, as demonstrated below.

USACE Navigation Data Center - Locks by Waterway, Tons Locked by Commodity group, Calendar Years 1993-2012 - CY2012 Date Set Update October 11, 2013*						
Site	All Commodities CY1995	All Commodities CY2012	% Change	All Food & Farm Products CY1995	All Food & Farm Products CY2012	% Change
Peoria	67,828,754	21,360,854	-69%	30,431,478	5,689,894	-81%
LaGrange	77,905,906	24,561,728	-68%	38,080,622	8,542,639	-78%
L&D 24	75,084,056	22,426,843	-70%	54,155,474	14,149,426	-74%
L&D 25	74,868,818	22,163,268	-70%	53,808,484	13,927,272	-74%
Melvin Price	156,844,216	48,953,338	-69%	96,255,342	23,663,690	-75%
L&D 27	168,867,840	56,612,966	-66%	102,341,222	24,998,217	-76%

*www.navigationdatacenter.us/lpms/cy2012comweb.htm

USACE Navigation Data Center - Locks by Waterway, Tons Locked by Commodity group, Calendar Years 1993-2012 - CY2013 Date Set Update February 19, 2014*						
Site	All Commodities CY1995	All Commodities CY2013	% Change	All Food & Farm Products CY1995	All Food & Farm Products CY2013	% Change
Peoria	33,914,377	19,003,735	-44%	15,215,739	4,842,954	-68%
LaGrange	38,952,953	20,236,642	-48%	19,040,311	6,613,211	-65%
L&D 24	37,542,028	17,295,846	-54%	27,077,737	8,442,367	-69%
L&D 25	37,434,409	17,315,949	-54%	26,904,242	8,457,467	-69%
Melvin Price	78,422,108	40,098,295	-49%	48,127,671	15,892,446	-67%
L&D 27	84,433,920	49,833,766	-41%	51,170,611	16,857,159	-67%

*www.navigationdatacenter.us/lpms/cy2013comweb.htm

The table displays a significant discrepancy in historical data for 1995. However, the percentage *decrease* in All Commodities and All Food & Farm Products remains noteworthy. For instance, using the CY 2013 data set update, Lock & Dam 25 has experienced a downturn in All Commodities from 1995 to 2013 of -54%, which includes a significant downturn in All Food & Farm Products from 1995 to 2013 of -69%.

The key findings within our report remain unchanged. Public-private partnerships offer a valid financing alternative deserving serious consideration in funding the operations, maintenance, and upgrading of the Inland Waterway System overall. The Upper Mississippi River Segment represents a critical regional component of the overall system that supports a nationally and internationally significant supply chain. Lock sites in this segment are worthy candidates for pilot P3 consideration as part of a larger system effort. Given current tonnage and recent trends and projections, our recommendation remains that reliability rather than expansion should be the foundation of system modernization. And finally, that users and beneficiaries of the system would be well served to advance pilot project formulation in a timely manner in order to take optimal advantage of the mandated P3 Pilot Program within the pending Water Resources Reform & Development Act of 2014.