

INDEPENDENT REVIEW: TRANSPORTATION IMPACTS OF LOWER SNAKE RIVER
DAM REMOVAL

3rd Quarterly Report
Joint Transportation Committee of the Washington State Legislature

Submitted by:

Eric Jessup (Principal Investigator)

Research Professor
School of Economic Sciences
Washington State University
301C Hulbert Hall
Pullman, WA 99164-6420
Ph: 509-335-4987
eric_jessup@wsu.edu

Jake Wagner (Co-Principal Investigator)

Assistant Research Professor
School of Economic Sciences
Washington State University
301G Hulbert Hall
Pullman, WA 99164-6420
Ph: 509-335-2115
jake.wagner@wsu.edu

Libby Ogard

President
Prime Focus LLC
918 Fox River Drive
DePere, WI 54115
Ph: 920-217-7222
logard@primefocusllc.com

Submitted to:

Dave Catterson

Coordinator
Joint Transportation Committee
Ph: 360-786-7398
Dave.catterson@leg.wa.gov

EXECUTIVE SUMMARY

The independent review of the WSDOT Transportation Impacts of Lower Snake River Dam Removal has resulted in the following key summary findings.

- The information flow and data sharing between the two teams continues to be excellent.
- Through regular meetings and email exchanges the JTC team has shared concerns about the grain transportation model construction and assumptions with the WSDOT team and the consultants have worked to address these concerns.
- The WSDOT team (CPCS) has slowly iterated to addressing most of the model issues raised. The JTC team has not reviewed the wood products or fertilizer models.
- The JTC team has convened monthly River Transportation Work Group meetings to collect feedback from vested stakeholders. Participation from this group remains strong. A list of identified concerns from these stakeholders is provided below.

INTRODUCTION

This report documents activities continuing throughout the last three months (December 2024, January 2025, February 2025) associated with the independent review being conducted by Freight Policy Transportation Institute at Washington State University for the Joint Transportation Committee. This review evaluates activities being undertaken by the collection of consulting firms (Jacobs Engineering, CPCS, & others) under the direction of the Washington State Department of Transportation (Jim Mahugh) for the Transportation Impacts of Lower Snake River Dam Removal Study. The review is segmented into two primary activities, including 1) the review of modeling activities by the WSDOT team and 2) the stakeholder engagement component for both teams.

TRANSPORTATION MODELING ACTIVITIES

The two teams continued having bi-weekly meetings focused on the total logistics cost model for December-February. These meetings have included attendance/participation by the JTC and while there has been considerable progress on the model, it has been painstakingly slow. The typical pattern is for the WSDOT (specifically CPCS) to provide the most recent model results and code one or two days before the model meeting. This doesn't always allow adequate time for the WSU team to completely evaluate all changes that were discussed on the earlier call. But the WSU team does investigate enough to identify any major and minor problems with model results, which are then discussed at the model meeting. Some of the recent model issues raised include:

- The model sent prior to February was not a global total cost minimization model and theoretically suboptimal. The CPCS team switched in early March to a much improved model, but one that still produced odd outputs.
- The updated CPCS model initially was producing very odd grain flows. The WSU team suspected it was due to a combination of factors, including the truck cost function penalizing short distance moves too much, some constraints not correctly specified and throughput at certain facilities needing adjusting. The WSDOT/CPCS team did make some modifications.
- Shortline rail shipments were occurring on lines for which there was no Class I relationship. The WSU team suggested that shortline connection to shuttle rail must be consistent with those service relationships.
- Initially the WSDOT model was under-utilizing upland grain elevators. The CPCS team suggested imposing a 75 mile truck limit to address this. The WSU team disagreed and suggested not placing any restrictions on truck distances.

The current status of the CPCS model appears to be getting much closer to completion (for grain). The CPCS team now produces outputs that allow for much better evaluation of how the model is performing from various dimensions. This helps identify problems quicker and find resolutions easier. The WSU team has still not reviewed the other commodity models and once those are completed, the outputs from all three will need to be aggregated onto the transportation infrastructure (road, river and rail). The WSU team is optimistic these will be forthcoming soon!

STAKEHOLDER ENGAGEMENT

The RTWG communication activities during this quarter have included the monthly meetings and some stakeholders have also communicated via emails and phone conversations. At the most recent RTWG meeting, the following items were identified as concerns from the stakeholders.

- Delay on TLC Model Completion (this has been documented several times and likely will continue until the TLC Model is completed)
- Prior issues raised by advisory committee not incorporated into modeling
 - Difficult to know given advisory committee hasn't seen results
- Lack of understanding of industries served and dynamic nature of global markets and how transportation affects that
 - Economic impact from loss of wheat market (increase cost makes wheat non-competitive)
 - Seasonal distribution of flows (each year is different, depending on market)
- Stakeholders input on alternative scenarios
 - Reacting to what WSDOT creates instead of collaboratively determined
 - Only discussed model for Wheat, not Fertilizer and Wood Products
- Concerns about waterborne commerce data vs LPMS data (raised each call)
- Several Stakeholders expressed concern regarding sedimentation flows in the McNary pool (if Snake River dams are removed) and doubted that navigation would be viable without significant dredging cost.
- Questions regarding how accident analysis and GHG will be determined

Participation by the stakeholders and their commitment to provide information that results in meaningful outcomes still remains strong, even though many have expressed sentiments that the entire effort isn't productive or needed. This committed participation from regional stakeholders should be utilized and leveraged to maximum effect to improve the TLC model.