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# Changing of the Guard



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# A LETTER FROM THE PRESIDENT

Welcome to the 2019 spring edition of Alliance Magazine and to our Annual Legislative Conference. We extend our sincere thanks to our members and advertisers for making this magazine a great success when it's published twice a year. Please show your patronage by supporting our advertisers.

The Queen's Guard have been keeping watch over Britain's royal palaces since 1660. As a show of its military discipline and expertise in formal events the soldiers began and ended their tours of duty with the Changing of the Guard ceremony.

The Changing of the Guard marks a change in the status quo. One set of Queen's Guardsmen are ending their service to Her Majesty and a new set are just beginning their time.

In Louisiana, we are entering into our own version of the Changing of the Guard. A grand total of 47 members of the legislature, 31 members of the House of Representatives and 16 Senators, are term limited, meaning they are not eligible to run for re-election to the seat they currently hold. Some of these legislators have held public office for decades, including a couple who have been in Baton Rouge for more than 40 years. Their future options are to run for a seat in the opposite chamber, run for a local or statewide elected position or step away from the political scene altogether. While the pomp and circumstance may not be involved in this change, the importance of Louisiana's New Guard will be much more than ceremonial to the future of our state.

The crop of legislators and statewide elected officials chosen in 2019 will have a number of crucial responsibilities. They will be voting on issues that decide if Louisiana's business climate

will warm to future investment and growth or shun the idea of expanding Louisiana's economy. There will be attempts to change Louisiana's tax code, who the new guard of legislators are will determine if those changes make Louisiana businesses competitive on a global scale or if a business is viewed as merely a checkbook that can help pad government coffers. They will also be literally mapping Louisiana's future political landscape, as new congressional and legislative district maps will be drawn in 2021 and will be in effect for the following 10 years.

This fall will give direction to the next decade in Louisiana. A decade full of tax, regulatory and business operation changes. A decade-long shift in what type of candidate will represent Louisiana in Baton Rouge and Washington, D.C.

To make sure Louisiana's changing of the Guard is positive for the state, everyone must be active in this election cycle. Whether it is donating to campaigns, volunteering time or simply going to the polls and talking to friends and family, be involved. The LCA and LCIA team will keep you up to date on candidates who share our principles and are willing to fight to keep our future bright. We will always be ready and willing to answer your questions and help you and your company play an active role in this very important year in Louisiana.



Gregory M. Bowser

Gregory M. Bowser  
President  
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# LOUISIANA LAWSUIT ABUSE WATCH

Lana Venable, Executive Director, Louisiana Lawsuit Abuse Watch

Well...it's that time of year again.  
Everything is in bloom, crawfish are in season  
and the Louisiana Legislature is in session.

As the curtain closed on the first week of legislative action in Baton Rouge, Louisiana Lawsuit Abuse Watch released new data showcasing the impact of civil court costs on Louisiana's residents and economies in the state's four largest MSAs. The results are clear – Louisiana's civil justice system continues to cost the state jobs and revenue.

In the Greater New Orleans area, excessive tort litigation costs residents \$512 million in personal income annually and results in a loss of 7,034 jobs each year. Excessive costs result in an annual "tort tax" amounting to about \$647 per person. Direct costs absorbed by residents and businesses amount to nearly \$487 million annually and more than \$832 million in gross product is lost due to litigation costs.

The Capital Region is also paying the price for excessive civil litigation, with residents losing more than \$170 million annually in personal income. Additionally, 2,976 jobs are lost every year and residents pay an annual "tort tax" of about \$349 per person. Residents and businesses also absorb \$206 million in direct costs annually and \$296 million is lost in annual gross product due to tort costs.



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Excessive litigation costs Acadiana area residents nearly \$92 million in personal income each year, as well as an annual “tort tax” of about \$276 per person. Each year, 1,659 jobs are lost. Nearly \$115 million in direct costs is absorbed annually by residents and businesses. Tort costs result in nearly \$137 million in lost gross product annually.

In Northwest Louisiana, Shreveport-Bossier residents miss out on more than \$48 million in personal income annually as a result of lawsuit abuse. These excessive costs result in an annual “tort tax” of about \$177 per person and every year 881 jobs are lost. Direct costs absorbed by residents and businesses amount to \$61 million annually and a loss of more than \$77 million in annual gross product.

This data clearly demonstrates the devastating impact of lawsuit abuse across the state’s four largest regions, making the case for civil justice reform as a statewide priority. Frivolous lawsuits and exorbitant plaintiff awards impact all sectors of our economy and hurt our families, as these costs are passed down through higher prices for goods and services.

Original study data last fall found the total current impact of excessive tort costs on the Louisiana economy amounts to estimated losses of \$1.1 billion in annual direct costs and \$1.5 billion in output (gross product) annually. About 15,556 jobs are lost when changes in the economic system over time are considered. All major industry groups are negatively impacted, with retail trade, business services, health services and other service industries suffering the greatest losses. As of 2018, yearly

fiscal losses are estimated at \$76.4 million in state revenues and \$64.3 million to local governments. These effects are based on the current size of the state’s population and economy and can be expected to rise over time in the absence of meaningful civil justice reforms.

According to the report, “tort reform can lead to substantial economic benefits, and states that have implemented reforms have seen improved judicial efficiency and measurable advancement in economic performance.” Civil justice reforms aimed at reducing frivolous lawsuits, capping appeal bonds, setting negligence standards and limiting non-economic damages have resulted in the greatest reductions in losses. These reforms have been shown to enhance innovation and increase productivity, as well as to improve judicial efficiency and economic performance.

From recent developments with coastal lawsuits in New Orleans and Terrebonne Parish to Louisiana’s consistently disproportionate number of auto injury claims, there is no denying that Louisiana’s culture of excessive lawsuits is impacting our economy and putting our residents’ livelihoods in jeopardy.

This year, several legislative instruments have been filed in an attempt to stem the tide of lawsuit abuse in Louisiana and address many of the issues that contribute to our ranking as one of the most litigious states in the country.

From bills that address trial lawyer advertising to a reboot of last year’s seat belt “gag rule,” there is no shortage

of opportunity to pass even the most basic of civil justice reform measures. A comprehensive proposal aimed at reducing Louisiana’s exorbitantly high auto insurance rates has also been filed, recognizing that Louisianans pay the second highest rates in the nation, behind Michigan – a no-fault state. This bill also includes provisions to reduce the current jury trial threshold (the highest in the United States), provide for reduced damages for the amount paid or payable from collateral sources and repeal the right of direct action against an insurer.

While these kinds of common-sense reforms would help to bring the Pelican State in line with the rest of the nation, the chances of any significant civil justice reforms making it all the way through the process are slim to none. It is, after all, an election year.

There is tremendous value – as businesspeople and citizens alike – in continuing the conversation about the need for tort reform well beyond this session. It is critical for Louisiana voters to make our voices heard in this fall’s elections, where both the House and Senate will experience unprecedented turnover. Civil justice reform should be part of every candidate’s platform. It is paramount that we elect those who understand that there is a proper role for good regulations that protect the public but that our system of checks and balances breaks down when lawsuits are substituted for regulation.

Civil justice reform is critical to Louisiana’s future, protecting our own pocketbooks and the welfare of the entire state for decades to come.





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# MEMBER SPOTLIGHT:



# Kostmayer CONSTRUCTION



# KOSTMAYER CONSTRUCTION

Kostmayer Construction is a marine construction company based in the Metro New Orleans area that works across the Gulf Coast from Texas to the Florida panhandle; working on nearly every commercial waterway in Southeast Louisiana.

Founded nearly four decades ago by Jimmie Kostmayer, Kostmayer Construction initially performed mostly marine and heavy civil construction for public entities. The company did dock demolition and repairs, storm surge controls, and mooring dolphins for the likes of the U.S. Army Corps of Engineers, LADOTD, the Port of New Orleans, and local municipalities. As the company built a strong reputation for safely completing difficult projects, their work in the petro-chemical industry grew each year.





# MEMBER SPOTLIGHT:



Over the past fifteen years, the company has steadily grown and Jimmie's son, Totty, and nephew, Hunter, have joined the executive team. With the next generation preparing for a bright future, Kostmayer made a massive initiative in 2014 to recapitalize the company's fleet of cranes, barges, and other key equipment to increase their overall lift capacity and to safely tackle more complex projects.

Today, Kostmayer works almost exclusively in the petro-chemical, industrial industry across the Gulf Coast and up and down the inland rivers and industrial canals.

The Kostmayer team thrives on creating innovative solutions to complex projects, including developing solutions to capital improvement projects deemed unconstructable and cost-prohibitive.

Kostmayer's collaborative philosophy and reputation of safe, reliable work has not only won the company numerous national safety accolades and project management awards, it built long-lasting relationships with their clients and crews.

## **SAFETY FIRST CULTURE**

- Every Kostmayer team member (Operators, Flagmen, Riggers, and Welders) have up-to-date certifications for their specialized crafts and possess TWIC cards, so they are ready to go to work in petro-chemical facilities immediately.
- Each project has a QA/QC (Quality Assurance/Quality Control) plan, on-site safety professionals, and daily safety meetings with all team members to identify and mitigate safety hazards.



- Because of Kostmayer's stellar safety program and record, the company earned the Diamond (highest) level of the ABC (Associated Builders & Contractors) National Safety Excellence Award from 2015-2018 after attaining the Platinum STEP Award in 2014, their first year of applying.

### **KOSTMAYER'S CAPABILITIES INCLUDE:**

- Marine Construction - pile driving, mooring dolphins, fender systems, turn-key construction solutions, dock demolition, dock construction, and dock maintenance
- Heavy Civil Construction - cofferdams, pumping stations, revetment/levee armament, concrete foundations, pile driving, structural steel erection
- Industrial Piping Systems - piping system installation, equipment setting, and piping system maintenance
- Emergency Work - "go-to team" for emergency work on docks and industrial piping systems
- Kostmayer Construction's team earned numerous accolades in recent years including:
- L'auberge Casino Foundation – Manhattan Construction contracted Kostmayer to connect three barges together using a structural steel cross bracing to create a 74,000 square foot gaming area along with three restaurants and a multi-purpose event center in Baton Rouge, Louisiana. Kostmayer also installed forty-two 42"x165'



long steel piles, 900 – 75' long steel H-piles, and 1,000 linear feet of sheet pile bulkhead. Crews laid over 100,000 square feet of concrete levee armament for mooring basin and the cast-in-place bridge/elevated roadway.

- CEMUS Dock Repairs - The new CEMUS maritime facility is the last dock on the Mississippi River that can handle post-Panamax expansion size ships. The project took over five years to go through permitting and planning, so CEMUS was more than anxious to rebuild the dilapidated dock. Kostmayer demolished the unsalvageable sections of the existing dock and rebuilt the dock with pieces fabricated concurrently in their fabrication yard. The dock's construction had numerous challenging obstacles including starting with underwater

demolition of the pilings that required cutting them at the mud line. The newly fabricated pilings and structures also required a larger crane than usual because of the severe weight and being on the Mississippi River, crews had to deal with marine wakes, so they worked with the Coast Guard to make the area safer, especially during diving operations.

Air Liquide Water Intake System Upgrade – A critical infrastructure project where Kostmayer replaced cooling water pumps for five high-production industrial facilities, battling record high river levels that covered most of the jobsite throughout the project. Kostmayer fabricated much of the piping on land at their fabrication facility to save the client time and money, and to drastically reduce the risk of injury for their crews while improving the quality of the welds.



# MEMBER SPOTLIGHT:



Kostmayer created a flexible piping solution to connect the temporary water pump housed on their barge to the stationary pipe on the client's dock. Crews also utilized caissons to ensure a stable foundation for a spinning, 45' long shaft that went 500 RPM and required an alignment with a tolerance of just a thousandth of an inch while resting on water.

**Dow Chemical Outfall Flume** - Kostmayer fortified the damaged land eroded by Dow's outfall flume on the bature to prevent it from further erosion. Previously, Dow used sheet piles to protect the land, but those piles degraded in less than 10 years and proved to be ineffective. Dow's flume is the lifeline of their plant, cooling the facility by discharging 600,000 gallons of fast flowing water per minute so it couldn't be shut down for construction. Kostmayer developed and executed a plan that not only saved the client

\$250,000, it increased the life span of the solution from 10 years to 30-40 years. Kostmayer placed 25,000 square feet of 40' x 8' articulated concrete mats (each weighing 23,000 pounds), added 6,000 tons of 1,000-pound class stone, and utilized 512 shore jacks as rip rap to reduce the flow of water.

**ECO Services Dock Access Bridge** - Kostmayer Construction was initially presented with an RFP from ECO Services to build a 300' dock access bridge using 6 sets of piles and a concrete decking so ECO could drive vehicles to and from their dock on the Mississippi River in Baton Rouge, LA. After all the initial estimates exceed \$6.5 million, the project was on an indefinite hold because it was cost prohibitive to build. Kostmayer approached ECO Services with a different design idea that slashed the budget in half and called for three, 8' wide and 100' long steel trusses, which required less

piles because of the reduced weight and because steel could span longer distances than concrete. However, the complexity of construction drastically increased with the new design because it required two cranes (one on land and another on a barge) to place the trusses and the walkway ran parallel to the client's current pedestrian walkway which carried water, electricity, and acid (client's product) to and from the dock. New mechanical and product lines were also fabricated on the new access bridge by Kostmayer.

*Kostmayer enjoys discussing upcoming projects and how to safely and cost-effectively overcome challenges (like these award-winning projects) with fellow LCIA members and facility managers. Contact Totty Kostmayer at 504.837.3320 or [jtk@kostmayer.com](mailto:jtk@kostmayer.com).*



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# LOUISIANA'S CHLORINE CONNECTION

By: Alexis Schlatre, Solutions Through Science Executive Director

From clean water to pharmaceuticals, and computers to cars, chlorine is essential to our lives. And Louisiana is essential to chlorine. Louisiana plays a key role in chlorine production and chlorine production plays a key role in our economy. Here's why.



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# SOLUTIONS THROUGH SCIENCE

## IT ALL STARTS WITH SALT

Chlorine comes from salt, a naturally occurring compound found in abundance in Louisiana. With 28 salt dome caverns in 17 parishes, Louisiana has been home to salt mining (brine) for more than 60 years.

Brine mining uses fresh and recycled water injected through a well to dissolve salt. That process forms a cavern in the salt deposit. The salt brine is then transported from the cavern by pipeline to a chemical manufacturing plant for chlor-alkali or other chemical production.

In simple terms, once the brine reaches the processing facility, an electric current is passed through it. The salt in the brine is broken down generating chlorine and caustic soda (NaOH). Both chlorine and caustic soda are used to manufacture hundreds of life-enhancing products vital to our lives, our state and our economy.

## THE NUMBERS SPEAK FOR THEMSELVES

Thirty-five to 40 percent of the nation's annual chlorine capacity is produced right here in Louisiana. The chlorine chemistry industry employs more than 17,000 people, making up 13 percent of the manufacturing jobs in our state.

Every year, Louisiana's chlorine chemistry industry generates \$1.8 billion in earnings. Additionally, a total of 29,700 jobs in the state are supported indirectly by industry activity through supply-chain linkages. Further economic activity is

generated by the household spending of earnings by workers in the direct and indirect sectors which supports an additional 25,330 jobs in the state.

For every chlorine chemistry industry job in Louisiana, a total of 3.2 jobs are created in other parts of Louisiana's economy. In total, more than 72,000 jobs in Louisiana are supported by the chlorine chemistry industry. Combined, these economic impacts generate \$4.1 billion in earnings and \$713 million in state and local taxes.

Understanding its importance in Louisiana's economy, chlorine producers and users around the state formed Solutions Through Science (STS) to be a single voice for the industry. In its nearly 20 years of existence, STS has worked with students, teachers and community leaders throughout the state to educate them on the importance of chlorine chemistry to Louisiana.

## CHLORINE CHEMISTRY IS VITAL TO OUR HEALTH

Chlorine is necessary to make our drinking water safe and our pools healthy. It removes bacteria, viruses and parasites from water and safeguards lasting disinfection from water treatment facilities to our faucets. Last year marked 110 years since the introduction of chlorine to drinking water in the United States. Before that time, waterborne illnesses like typhoid fever and dysentery were a common cause of death among people. Since its introduction, child and infant death rates have dramatically declined, and the

quality of life in America has greatly improved.

In 1997, Life magazine called the filtration of drinking water and the use of chlorine "the most significant public health advance of the millennium," and in 2010, the United Nations recognized clean drinking water and water sanitation at the very core of all human rights. Chlorine is a key factor that brings communities into the modern era and directly and positively affects poverty, hunger and health. Through its partnership with organizations, like Water Mission, our industry helps bring clean drinking water and water sanitation systems to communities around the world.

Chlorine also provides emergency disinfection in times of natural disasters and disease outbreaks. For example, following the 2017 hurricanes in Texas, Puerto Rico and Haiti, STS member companies donated tens of thousands of gallons of chlorine bleach disinfectants and other supplies to relief efforts. Chlorine disinfection is also critical during times of disease outbreaks, such as norovirus, seasonal flu, hepatitis and Ebola.

## SUSTAINABILITY AND RESPONSIBILITY

In 2015, the United Nations established 17 Sustainable Development Goals that outline ways to achieve a sustainable future for people around the globe. The UN has called upon governments, communities and the private sector to help realize these by 2030. Our industry is proud to say that many of

these goals are influenced by chlorine chemistry. Whether it be through clean drinking water, crop protection, sustainable energy solutions, building materials, educational resources or workforce development, the chlorine chemistry industry is making a significant impact.

Finally, the chlor-alkali industry has worked hard to reduce its own environmental footprint by making its facilities and processes more energy-efficient and reducing chemical emissions. In addition, chlorine chemistry is necessary in the manufacture of solar panels, wind turbines, car batteries and countless other products that help conserve resources.

Chlorine chemistry is connected to many of the activities and products we rely on every day. It is a life-changing ingredient to communities around the world and it continues to keep people safe, healthy and thriving—especially right here in Louisiana.

Alexis Schlatre is the executive director of STS. STS is a partnership of the chlor-alkali producers and users in the state of Louisiana. Its mission is to promote the benefits of chlorine chemistry and its many products through educational outreach and issues management.

For more information, go to [www.stsla.org](http://www.stsla.org).

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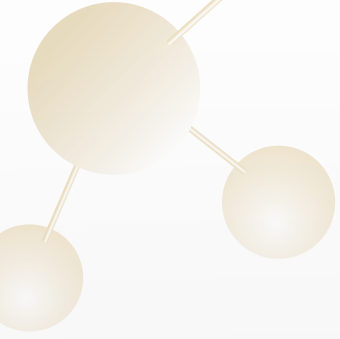
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# RESET

## LOUISIANA'S FUTURE

# *Louisiana* AMMONIA PRODUCERS IT'S TIME FOR A RESET

Jim Harris, On Behalf of Louisiana Ammonia Producers

There have been many organizations of Louisiana citizens who have come together working for a better state over the years. Three of those organizations that have stood the test of time are the Council for a Better Louisiana, the Public Affairs Research Council and the Committee of 100.



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Founded in 1962, CABL has worked diligently for reform, governmental restructuring and enactment of strong, forward-looking policies. The organization has been a force for positive change by remaining focused on the goal of making Louisiana better and is seen as the premier source for research on all levels of education in the state.

PAR was founded in 1950 and continues to serve as an independent voice offering solutions to public issues in the state through nonpartisan research. Many significant governmental reforms can be traced to PAR recommendations, and the organization contributes constructive ideas and solutions to political thinking. The group also works to inform Louisiana's citizens about issues critical to the state's development.

C100 is a group of more than 100 Louisiana business and university leaders joined to influence innovation and economic development opportunities for the state. Created in 1992, C100 serves as Louisiana's business roundtable dedicated to the state's long-term economic growth.

A lot of good government policies that have been adopted in Louisiana over the years came out of the efforts of the thousands of Louisiana citizens belonging to these groups.

However, never before have these three formidable organizations' members joined together to foster change for Louisiana's future. That changes now.

CABL, PAR and C100 have joined forces in a targeted, nonpartisan effort called RESET to focus on issues essential to the state's future. This

effort does not intend to simply hit the "restart" button as the state has done in years past, surviving year to year. RESET is an effort to start anew and create a true path forward for Louisiana's future.

The Louisiana Legislature and all statewide elected officials are up for reelection in 2019. Issues emphasized during campaigns tend to be the issues addressed in legislation following the election. The year 2020 creates a unique opportunity to inform legislative candidates about important priorities and build a foundation for the transformation of Louisiana and prepare the state for its future.

RESET will focus on four policy issues - state finances (revenue, spending, pension and the Constitution), education (early childhood, PreK-12 and workforce development), transportation infrastructure and criminal justice/public safety.

#### **RESET BELIEVES:**

- Louisiana should provide a fair, simple and competitive tax environment for individuals and businesses that produces sufficient revenue for essential government operations and services.
- Louisiana should simplify the state Constitution to increase fiscal flexibility, allow improvements to our tax and spending policies and modernize state and local relations.
- Louisiana should improve the state pension system to reduce the risk of increasing debt, better serve the state's workforce recruitment needs and provide more competitive system for employees.

- Louisiana should create an efficient criminal justice system that utilizes prison space for those who pose a public safety threat and implements evidence-based practices to reduce recidivism.
- Louisiana should expand access to high-quality early care and education programs for all at-risk children in Louisiana from birth through age four.
- Louisiana should maintain a strong school accountability system, rigorous K-12 academic standards and high-quality assessments and continue to build upon a wide and dynamic array of education choices for students and parents.
- Louisiana should expand access to the Community and Technical College System to develop a stronger workforce, increase wages and meet the needs of employers in high-demand fields.
- Louisiana's transportation infrastructure should be an asset, not a liability. The state should significantly invest in its transportation infrastructure, including ports and waterways, enhance public safety, relieve congestion in major urban areas and support commerce and economic development.

The 2019 legislative elections will lead to the 2020 Legislative Session, and that's where change can be affected. The elections will create a huge loss of institutional knowledge. Forty-seven legislators are term-limited and unable to seek reelection; this is the largest turnover in the Legislature since the implementation of term limits in 2007.

It sounds like the same old, same old thing, but it is not. It is not that we



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**The Louisiana  
Legislature and all  
statewide elected  
officials are up for  
reelection in 2019.**

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haven't known where the solutions are, but there has not been the political will to implement them. Theoretically, the state has some fiscal stability, so we have a chance at looking beyond the budget. Louisiana has lost a decade of focus on some of these issues. It's time to take an assessment of where we are and where we want to be. Where we have been is not where we need to be. These elections and the subsequent 2020 Legislative Session are a great time and place to get started.

RESET is reaching out to candidates in every region of the state in collaboration with regional partners to present the groups' priorities and will be very active in the 2020 Legislative Session. Hopefully, with this type of partnership, the state will find a way to come together and achieve the very real change for Louisiana's future we've all been talking about for many years. In order to achieve that change, RESET needs you and needs support from other individuals and businesses. For more information and details on RESET's priorities, go to [www.resetlouisiana.com](http://www.resetlouisiana.com).

*Let's push the RESET button and make a better future for our children.*

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# 32ND ANNUAL LOUISIANA/TEXAS ENVIRONMENTAL, HEALTH & SAFETY SEMINAR

By: Edward Flynn, Vice President, Health, Safety  
and Security Louisiana Chemical Association

The Texas Chemical Council (TCC) and the Association of Chemical Industry of Texas (ACIT), along with LCA and LCIA, are hosting the 32nd annual Environmental, Health and Safety (EHS) seminar, June 3-6, 2019 ([www.ehs-seminar.com](http://www.ehs-seminar.com)) at Moody Gardens Hotel & Convention Center in Galveston, Texas ([www.moodygardens.com](http://www.moodygardens.com)). 2019 is the 9th year of this important partnership that benefits all members of the four sponsoring organizations.

Annually, the EHS Seminar aspires to be the best industry safety seminar on the Gulf Coast attracting EHS and plant professionals from the chemical and refining industries as well as large numbers of suppliers and service providers to our industry. Originally developed by TCC's Occupational Safety Committee, the event is now planned and coordinated by EHS professionals from TCC/ACIT and LCA/LCIA staff and member companies. The Seminar features leading industry environmental, health and safety subject matter experts as speakers, panelists, coaches and instructors in a wide array of educational sessions and workshops.

There are several continuing education opportunities available including 17 hours of COC accreditation for Certified Safety Professionals (CSP).



The 2019 program once again will include award winning keynote presentations and technical sessions on ALL of the following – EHS Management Systems & Sustainability; Environmental Fundamentals & Compliance; Emergency Response & Security; Employee & Industrial Health; Human Factors; PSM/process safety issues; Leadership; Industrial Incidents & Lessons Learned; and many others.

Facility and site leaders who have attended the EHS Seminar in the past have found it to be a very valuable educational resource for them and their employees. As a result, the TCC Board of Directors felt it important that every LCA and TCC member company plant manager have an opportunity to attend the Seminar for a day and learn how the Seminar can benefit their personnel.

All LCA plant managers are invited to be a guest for one day at the seminar; plant managers are entitled to a complimentary 1-Day Registration for a day of their choice during the week-long event. This invitation is an opportunity for leaders to experience the informative training and education opportunities available to your employees. For questions or help regarding vouchers, please contact Paula Lerash, CEM, TCC's Director of Education & Exhibits, [lerash@texaschemistry.org](mailto:lerash@texaschemistry.org); (512) 646-6404.

Back by popular demand this year is a Plant Managers (only) track that will take place on Thursday, June 6th. This track focuses exclusively on key topics of particular interest to plant managers; highlighted this year are: choosing the best

leading indicators for HSE performance; achieving & sustaining

operational discipline; and world class operator training – what does that look like? There will be an afternoon Plant Manager Roundtable Forum, reserved exclusively for facility site and plant managers, to discuss important current industry issues and share best practices. In previous years, this closed session was moderated by our own Tom Yura, former Chairman, LCA Board of Directors; last year's forum was moderated by Steve Skarke, Executive Vice President & Site Manager, Kaneka North America LLC, Houston, Texas. For 2019, Tim Harris, plant manager, Eastman Chemical (St. Gabriel, LA), chairman of LCIA will be the moderator.

Finally, make it a point not to miss a world class trade show where more than 160 vendors will be showcasing all manner of products, technologies, tools and services representing the best in equipment, machinery, know-hows and leading-edge knowledge.


This year, please joining the ever-growing impressive list of LCA and LCIA members

-- such as Eastman, Americas Styrenics, Total, Formosa, SNF Flopam, Dow, Ineos Oxide, Mexichem, Occidental, Dexco Polymers, Angus, Cornerstone, Olin Blue Cube, Rubicon, Axiall, Methanex, BASF, ExxonMobil, 24 Hour Safety, Austin Industrial, CDM Smith, CH2M HILL, Clean Harbors, Congestova Rovers, Cooling Tower Technologies, Core LLC, Cotton Logistics, Delta Screen, Dunn Heat Exchangers, HFB Safety, Hunter Buildings, Kappler Inc., Lewis-Goetz, Mahaffey Fabric Structures, Ohmstede, OMI Environmental Solutions, OneSource EHS, Prosys Inc., Proforma Incentives & Branding, Responsible Safety Staffing LLC,

Sprint Safety, Total Safety, Trinity Consultants, Turner and United Rentals -- who have taken advantage of this terrific, close to home training and educational opportunity.

Through sharing best practices, attending the different seminar tracks, participating in the training workshops and joining in the multiple networking opportunities, attendees can identify ideas and practices – real-world, tangible improvements – to implement at their site that help drive continued excellence in facility EHS performance. Attendees can choose from a discounted weekly registration or a single-day/daily registration, and breakfast and lunch are included in all seminar admissions. Attendees with a valid email address will have access to all the presentations after the seminar.

Fees, registration, hotel and travel arrangements and all the program details including speakers, topics and training sessions may be viewed at [www.ehs-seminar.com](http://www.ehs-seminar.com). You may also contact Ed Flynn ([ed@lca.org](mailto:ed@lca.org); 225/376-7644) or Lisa Pulizzano ([lisa@lca.org](mailto:lisa@lca.org); 225/376-7670) if you need any help or more information.

Please make attending this great seminar a part of your annual EHS activities. Thank you and on behalf of LCA and LCIA, we look forward to seeing you in June! 



# THE NEED TO IMPROVE FREIGHT RAIL SERVICE TO LOUISIANA'S CHEMICAL INDUSTRY

## OPPORTUNITIES FOR SHIPPERS TO HELP THEMSELVES

Edward J. Flynn

Vice President, Health, Safety, Security, Louisiana Chemical Association  
Director, Louisiana Rail Task Force

In 2017 in Louisiana (most current information available), 19 different freight railroads, operating over almost 3,000 miles of track moved 31.9 million total tons of commodities, including 19.4 million tons of chemicals, all this rail traffic originating here in Louisiana. Louisiana is home to all six U.S. Class I railroads (BNSF, CN, CSX, KCS, UP & Norfolk Southern), eight local railroads (primarily engaged in line-haul service) and five switching and terminal railroads (e.g., New Orleans Public Belt). Rapid and relentless consolidation among railroads between 1958 and 1999 led to 40 rail merger applications filed with the U.S. government (with 36 being approved), so that by 2000, only seven major North American railroads remained (Canadian Pacific, CP, being the one non-US based class 1).

LCA member companies need safe, secure, reliable, efficient, on-schedule

and economically competitive service from railroads who transport and ship many basic, necessary and always in-demand chemical products that are manufactured in plants along the Mississippi River, in southwest Louisiana and even in north and central Louisiana and ultimately sent around the U.S. and the world. Just four months ago, LCA reported that the chemical industry will invest \$58 billion to support 85 new chemical production projects in Louisiana.

Chemical manufacturing is monitored by a plethora of federal, state and sometimes even local government agencies many with expansive powers that administer rules and regulations governing multiple aspects of a company's operations. Railroads on the other hand, are overseen by one diminutive federal agency, the Surface Transportation Board (STB). Though

small (by federal agency standards), the STB maintains economic oversight of the rail industry and has jurisdictional authorities through regulations and policies to mediate and adjudicate disputes between rail shippers and carriers. While the STB serves as a backstop for shippers when railroads have no competition, it is important to note that not all rail traffic is covered by protections afforded by the STB while other traffic might be subject to enhanced protections.

STB began life on January 1, 1996, as directed by the 1995 Interstate Commerce Commission Termination Act (ICCTA).

As the investments noted above come on line, and as the five-member authorized STB resumes its work after the 35-day partial government shutdown earlier this year, it becomes

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more important than ever for the board to rule on issues important to captive or stranded shippers (i.e., customers having only one-railroad-served origin). That's one reason why LCA and more than 80 other business and industry groups belong to the Rail Customer Coalition (RCC); formed in

2014-2015 and representing a wide range of manufacturers, agricultural and energy industries who ship by rail, the RCC continues fighting to reform outdated rail regulations and open markets to competition. Competition is the foundation of the free enterprise system, and it is what helps drive innovation and cost-savings throughout our economy. Competitive (or reciprocal) switching would remove regulatory barriers and put the marketplace to work. It would allow a rail customer, served by a single railroad, to request that its freight be moved to another railroad, for a fee, if one is reasonably accessible.

At the STB right now is STP EP 711 (Sub-No.1) – reciprocal switching. Railroad opposition to this proposal was swift and predictable: labeled as a “Forced Switching Rule” by the railroads, it will “de-rail” President Trump’s successful efforts to roll back regulations and undo decades of economic progress by re-regulating American railroads; the rule will lead to widespread shipping delays and railroad congestion by requiring operators to turn their freight cars over to competitors at potentially below-market prices; the proposal is unlawful; STB has no discretion to change the current rules; there would be a substantial adverse effect on rail network efficiency, railroad revenues and investment; the proposal would permit forced switching on demand. In fact, STB has broad discretion under its statute, legislative history and case law to adopt new switching rules. Further, the proposal considers

the “need” for switching before a shipper might obtain reciprocal switching; also, the proposal balances pro-competition policies and rail revenue adequacy considerations.

This important proposal encourages competition in the freight rail system to offset the loss of competition after decades of massive consolidation in the rail industry that have resulted in a doubling (at least) of freight rates while service has deteriorated. EP 711 (and several other major policy proceedings) have been in limbo for more than two years and LCA and the RCC believe that the Board should begin moving ahead now on these long delayed proposals. Of note, rail shippers are allowed to have Ex Parte meetings with STB commissioners; such meetings provide an important opportunity for shippers to emphasize competitive switching as a high priority; to explain their need and support for expanded reciprocal switching; and to encourage favorable action by STB on this rule without additional delay. To schedule meetings at the STB, contact Susan Hugel, Assistant to Acting Chairman Ann Begeman at [susan.hugel@stb.gov](mailto:susan.hugel@stb.gov) or (202) 245-0200.

Another current proposal being advocated by LCA and the RCC is rate benchmarking. If enacted, this would help shippers without competitive options by replacing the STB’s overly bureaucratic rate review process with streamlined, market-based process. Benchmarking uses the wealth of existing rate data for shipments in competitive markets. A shipper could challenge a rate that is unreasonably higher than its competitive benchmark. This change would dramatically reduce the amount of time and money it takes for shippers, railroads and the federal government to decide a rate case.

At the time this article is being written (April 2019), a third opportunity for shippers to voice rail concerns to the STB will come at a May 22, 2019 public hearing on demurrage and accessorial charges. A public notice directs all Class I railroads to appear at the hearing and to submit specific information on demurrage and accessorial charges in advance of the hearing.

At this meeting, the Board is looking to receive information from railroads, shippers, receivers, third-party logistics providers, and other interested parties about their recent experiences with demurrage and accessorial charges, including matters such as reciprocity, commercial fairness, the impact of operational changes on such charges, capacity issues, and effects on network fluidity. This hearing arises from concerns expressed by users of the freight rail network and other stakeholders about changes to demurrage and accessorial tariffs being implemented by various Class I carriers, and follows related letter inquiries to Class I carriers, including requests for information on quarterly revenue from demurrage and accessorial charges for 2018 and 2019. This correspondence, the quarterly revenue information reported by the Class I carriers to date, and written communications received by the Board about demurrage and accessorial changes can be found on the Board’s website under E-Library/Correspondence/Non-Docketed Public Correspondence.

The Class I carriers are directed to file the following information with the Board:

Provide a list of all material changes to your demurrage and accessorial tariffs since January 1, 2016, including but not limited to changes pertaining to (i) the amount of free time allowed for loading and

unloading rail cars; (ii) rates for demurrage and accessorial charges; (iii) the nature and availability of credits or other relief, including for railroad errors and service failures; and (iv) procedures and time periods applicable to the process for raising and resolving disputed charges. For each such tariff change, please also specify (a) when notice of the change was given; (b) when the change became effective; and (c) the reason(s) for the change. The Board requests that this information be presented in a table.

Provide, for each of the past three calendar years, the total dollar amounts of charges billed and charges collected pursuant to (i) all demurrage tariffs combined and (ii) all accessorial tariffs combined.<sup>2</sup>

Provide a detailed explanation of the current process by which shippers, receivers, and other parties may dispute demurrage and accessorial charges. To the extent readily available, please also provide, for all demurrage tariff charges combined and all accessorial tariff charges combined, the percentages of charges, by dollar amount, that have been contested in the first quarter of 2019 and each of the past three calendar years.

Provide a detailed explanation of any system or practice under which credits or debits have been issued in connection with the assessment of demurrage or accessorial charges since January 1, 2016, and any changes thereto. Describe how credits and debits are calculated and any limits on the amount of credits or debits that may be available or incurred.

<sup>1</sup> Demurrage is subject to Board regulation under 49 U.S.C. § 10702,

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which requires railroads to establish reasonable rates and transportation-related rules and practices, and under

49 U.S.C. § 10746, which requires railroads to compute demurrage charges, and establish rules related to those charges, in a way that will fulfill national needs related to freight car use and distribution and maintenance of an adequate car supply.

Demurrage charges have both compensatory and punitive aspects and are intended to promote efficient use of rail resources. Demurrage Liability, EP 707, slip op. at 2 (STB served April 11, 2014); 49 C.F.R. §

1333.1. As used herein, the term “demurrage charges” corresponds to the definition of demurrage used for purposes of the R-1 Annual Report (see 49 C.F.R. § 1201, category 106).

Accessorial charges are not specifically defined by statute or regulation but are generally understood to include charges other than line-haul and demurrage charges. See Revisions to Arbitration Procedures, EP 730, slip op. at 7-8 (STB served Sept. 0, 2016) (describing a variety of charges that are considered accessorial charges). As used herein, the term “accessorial charges” includes, without limitation, charges for things such as diverting a shipment in transit, ordering a railcar but releasing it empty, weighing a railcar, tendering one railroad’s car to another railroad without a line-haul move, special train or additional switching services, or releasing a railcar with incomplete or incorrect shipping instructions.

All hearing participants were required to submit written testimony by May 8, 2019. Written submissions by interested persons who could not appear at the hearing had to be filed by May 8, 2019. All participants and interested persons were invited and

encouraged to address the following topics in their written testimony or submissions and at the hearing:

Recent experience with demurrage and accessorial charges, including (i) the largest drivers of demurrage and accessorial charges; (ii) supply chain visibility; (iii) the availability, effectiveness, and usability of online customer service tools that manage car orders, car supply, and demurrage and accessorial charges, including whether these tools make available adequate data to evaluate whether demurrage is being assessed properly and to dispute the charges when necessary; (iv) bunching, including bunching that occurs upstream; and (v) the ability to address demurrage through commercial arrangements.

2 Although the carriers have provided a subset of this data in response to the letter inquires referenced above, for completeness, carriers should nonetheless provide a full dataset in response to this item.

Finally, a very recent development around rail security took place on April 8, 2019 when the Transportation Security Administration (TSA) announced that a Surface Transportation Security Advisory Committee has been established in accordance with Section 1969 of Public Law No: 115-254. The STSAC will be composed of voting members representing surface transportation providers and users, and nonvoting members representing federal departments and agencies with surface transportation oversight.

The STSAC will report to TSA Administrator David Pekoske and will provide recommendations on surface transportation security matters, including the development, refinement, and implementation of policies, programs, initiatives, rulemakings, and security directives.

Administrator Pekoske has appointed 35 voting members to the STSAC including the following individuals for freight rail:

- Greg Bretzing, Senior Vice President, Global Security, Safety and Corporate Affairs, The Greenbrier Companies, Inc.
- Thomas L. Farmer, Assistant Vice President of Security, Association of American Railroads
- Herschel Flowers, Homeland Security Manager, Kansas City Southern Railway
- Edward R. Gelnar, Jr., Vice President of Safety and Compliance, American Short Line and Regional Railroad Association
- Donald B. Loftis, Principle Software Engineer, Olin Corporation.
- For groups representing users of surface transportation:
- Joseph A. DeLuca, Chief Compliance Officer, Secure Worker Access Consortium
- Jennifer C. Gibson, Vice President of Regulatory Affairs, National Association of Chemical Distributors
- Robyn S. Kinsley, Vice President Transportation and Emergency Preparedness, The Chlorine Institute
- K. Denise Rucker Krepp, locally elected official, Advisory Neighborhood Committee
- Jonathan R. Todd, Partner, Transportation & Logistics Practice Group, Benesch, Friedlander, Coplan & Aronoff LLP



- Dr. Patricia P. Woodbury, Council Member, City of Newport News, Virginia.
- Olin Corporation; NACD and the Chlorine Institute are all members of the Rail Customer Coalition.

In addition to the voting members mentioned above, six federal departments and agencies with regulatory authority over one or more modes of surface transportation have designated representatives to serve as nonvoting members of the STSAC. Visit the website to learn more about the Surface Transportation Security Advisory Committee.

LCA and its allies in the RCC depend on the railroads to deliver reliable and affordable service in order to remain competitive in a global market. LCA members are major transportation stakeholders and are among the largest users of freight rail. Freight railroads are a safe and effective means of transporting bulk commodities, and ensuring an economically strong rail network is critical to the health of the U.S. economy. The Coalition is committed to modernizing the STB so that it works better for both the railroads and the large and small American businesses that rely on them. The Coalition supports practical regulatory reforms that would allow greater access to competitive freight rail service and that would make the STB operate more efficiently and effectively for all stakeholders.

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# YOUR ITEP CHEAT SHEET: WHAT YOU NEED TO KNOW

The Industrial Tax Exemption Program, also known as ITEP, is an incentive program used to bring investments and expansions to Louisiana. It is credited with bringing a surplus of economic prosperity to individual communities and the state as a whole by enticing companies to establish themselves in Louisiana. In exchange for this commitment, companies are granted a limited property tax exemption.

The program, which is more than 80-years-old, enables growth in some of Louisiana's most vital industries including its chemical industry. By standing behind this program and our state's largest economic drivers, we can work toward a better Louisiana.

For this reason, it is essential that individuals, organizations and public officials across all parishes understand the ITEP process and the role that the industry plays in the success of our state.

## HOW DOES THE CHEMICAL INDUSTRY IMPACT LOUISIANA?

As the No. 1 provider of jobs in Louisiana's manufacturing sector, a source of more than \$79.7 billion in annual sales for businesses in our

state and contributor of more than \$1.1 billion yearly to the Louisiana treasury, it is no secret that Louisiana's chemical industry is a key player in the prosperity of our state.

Employing more than 29,000 people with an average salary of \$106,600, the industry is one of the best-paying, most reliable employers in Louisiana. However, its widespread effect on the job market doesn't stop there. For every job created in the industry, an additional 9.3 jobs are created in other sectors - these are small business owners, contract workers and other occupations integral to our state.

In addition to employing thousands of Louisiana residents, the chemical industry single-handedly generated more than \$1.1 billion in indirect taxes for Louisiana.

With this type of footprint, it's clear that the chemical industry is the key to Louisiana's economic success and future growth. We need to encourage investments so that our businesses, communities and workforce can continue to thrive.

## WHY IS IT IMPORTANT FOR LOUISIANA TO STAY COMPETITIVE AGAINST OTHER STATES?

Many different factors play a role in where a company chooses to spend its capital investment. When a chemical company looks to invest, they consider items such as geographic location and access to natural resources. But topping that list is the state's business climate.

Unfortunately for Louisiana, Forbes' 2018 Best States for Business ranks Louisiana #42 in the country for our business climate, whereas our next-door neighbor, Texas, ranks #3. To add to this, Louisiana ranks #1 in nation for annual increases in business taxes while Texas has no individual or corporate income tax, no sales tax on manufacturing utilities or equipment, a significantly lower sales tax rate and a unified sales tax collection.

With this said, it's not difficult to understand why our state has trouble competing with other states for new investments.

## WHAT IS ITEP AND WHY IS IT IMPORTANT?

ITEP was created to better position Louisiana when competing for industry investments across the country and overseas. In return for bringing economic investments and



new jobs, companies that receive ITEP are given a partial, short-term property tax deferral. This deferral entices new companies to lay down roots in Louisiana, in-turn bringing significant economic investments, new job opportunities and overall prosperity to our state.

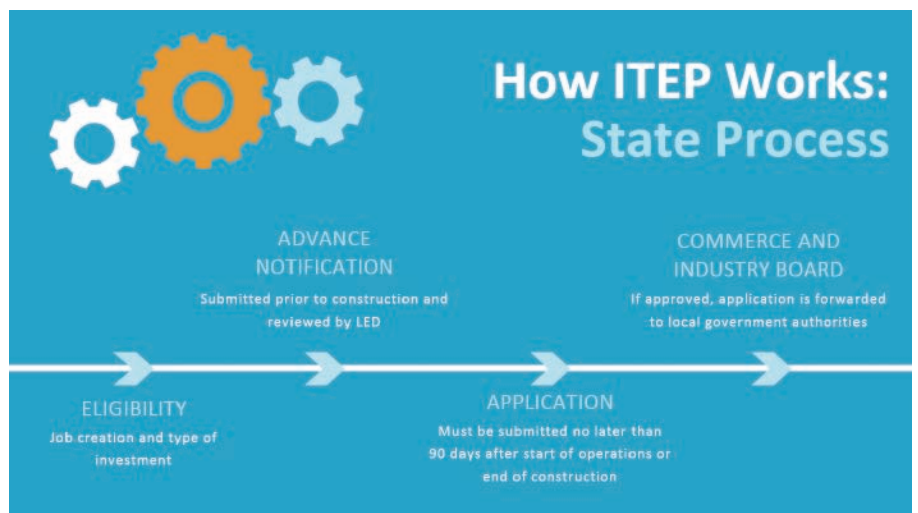
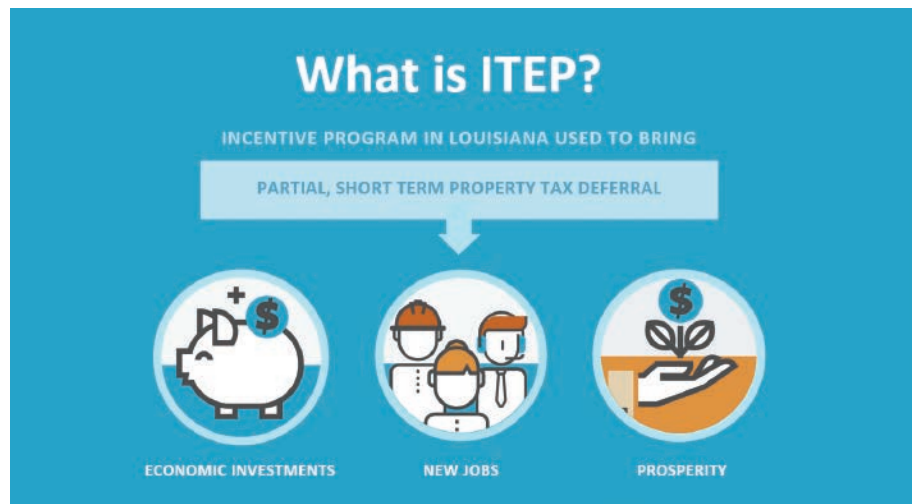
After this period is over, 100 percent of the property goes onto local tax rolls. In fact, nearly \$14.6 billion in chemical property will come off the ITEP rolls over the next five years and become taxable by local governments, thus contributing to the local coffers to pay for schools, infrastructure and other services.

In the meantime, these companies bring significant contributions to the state through job creation, revenue generation, economic assets to local communities and even investments in community initiatives. For these reasons, it is clear that ITEP is a win-win for Louisiana.

### HOW ARE PARISHES WITH ITEP IMPACTED?

On average, parishes with more ITEP contracts have higher teacher salaries, higher employment and higher annual salaries. In fact, out of the 64 parishes in the state of Louisiana, eight of the parishes with the highest presence of ITEP rank in the top third across the state in property tax collections. Six of these eight parishes also ranked in the top 16 across Louisiana in highest teacher salaries and five of the eight have the highest employment rate and highest average earnings across the state. This prosperity is not a coincidence and can be traced back to ITEP.

If we make ITEP contracts easier to obtain, Louisiana can expect even more economic growth and, hopefully, improve our business climate for the long-term.





## Potential Solutions

1

**GIVE DECISION-MAKING  
AUTHORITY BACK TO  
THE STATE**

2

**DESIGNATE A SINGLE POINT  
OF AUTHORITY IN EACH  
PARISH**

3

**ALLOW PARISHES TO GIVE  
100% ABATEMENT**

4

**ESTABLISH PARISH  
GUIDELINES**



## How ITEP Works: Local Approval

### PARISH TAXING BODIES

- Applications are individually considered by each taxing body
- Usually, the school board, parish council and sheriff

### TIMELINE

- Applications must be put on the agenda within 30 days
- They have another 30 days to consider the application

### AUTOMATIC APPROVAL

- If no action is taken within this 30 or 60-day timeframe, the application is automatically approved

### RENEWAL

- Applicants can apply for a 5-year renewal at the end of the initial 5-year contract

## But There's A Problem.

Application denials and negative rhetoric are scaring off potential investments.

This hurts our job market, economic stability and future growth.



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## CHANGES TO ITEP:

Prior to 2016, when Governor John Bel Edwards changed the program through an Executive Order, ITEP granted companies a 100-percent tax abatement that lasted for ten years and could be acquired solely through a streamlined approval process through the state.

Governor Edwards' changes complicated this process, making it more difficult for companies to reap the benefits of ITEP and providing less recognition of the importance of manufacturing investment to our state.

The new process requires companies to also gain approval from various local taxing districts – school boards, municipalities, Sheriffs and more – before the Board of Commerce and Industry can grant ITEP to potential investors. After going through this lengthy and painstaking process, investors only receive an 80 percent property tax deferral for a period of 5-years. After this 5-year period is complete, companies must go through this process all over again in order to receive another 5-year exemption.

Unfortunately, these additional barriers have created a surplus of confusion and controversy. Potential investors must now face local opposition groups that continue to spread misinformation to local leaders about the intentions of ITEP and the communities that will benefit from the program. These critics insist that more taxes should be collected from Louisiana employers, complicating and delaying decisions that would provide significant benefits to local communities. For this reason, it is vital that Louisianians and local leaders understand the importance of ITEP to their area's prosperity.

Due to these changes, Louisiana has received less ITEP contracts and new investments. In fact, according to the Louisiana Association of Business and Industry (LABI), capital investment related to ITEP projects decreased

from more than \$20 billion in 2015 to \$13 billion in 2017. New ITEP projects decreased over this same period from 769 to just 192. The associated new jobs similarly decreased from 3,086 in 2015 to 1,850 in 2017, and related construction jobs for these projects fell from 58,233 to 34,468.46.

In order to combat these challenges, it is up to Louisiana residents to work to streamline the process for decision making within each parish, recognize the short and long-term value that manufacturing brings to their communities and spread accurate information so that individuals and local entities clearly understand the rules of the program.

## HOW DOES THE ITEP PROCESS WORK?

### THE PROBLEM & THE SOLUTION:

Unfortunately, there are many misconceptions when it comes to ITEP, its impact on our state and the benefits that it provides to the industry. These misconceptions are hurting our job

opportunities, local tax dollars and growth for future generations.

This is why it is so important for Louisiana residents to learn the facts about all that ITEP provides to Louisiana and take action to compete with neighboring states by supporting the program.

Get informed about how you, your friends and your family can support this crucial process and in-turn the growth and prosperity of our state.

It is up to us as Louisiana residents to combat the current processes and, in the meantime, encourage parish entities to understand the facts surrounding ITEP and all that these investments would bring to our communities. Stand up for Louisiana by learning more about ITEP, encouraging support of the program in your area and communicating the importance of the program to state officials.

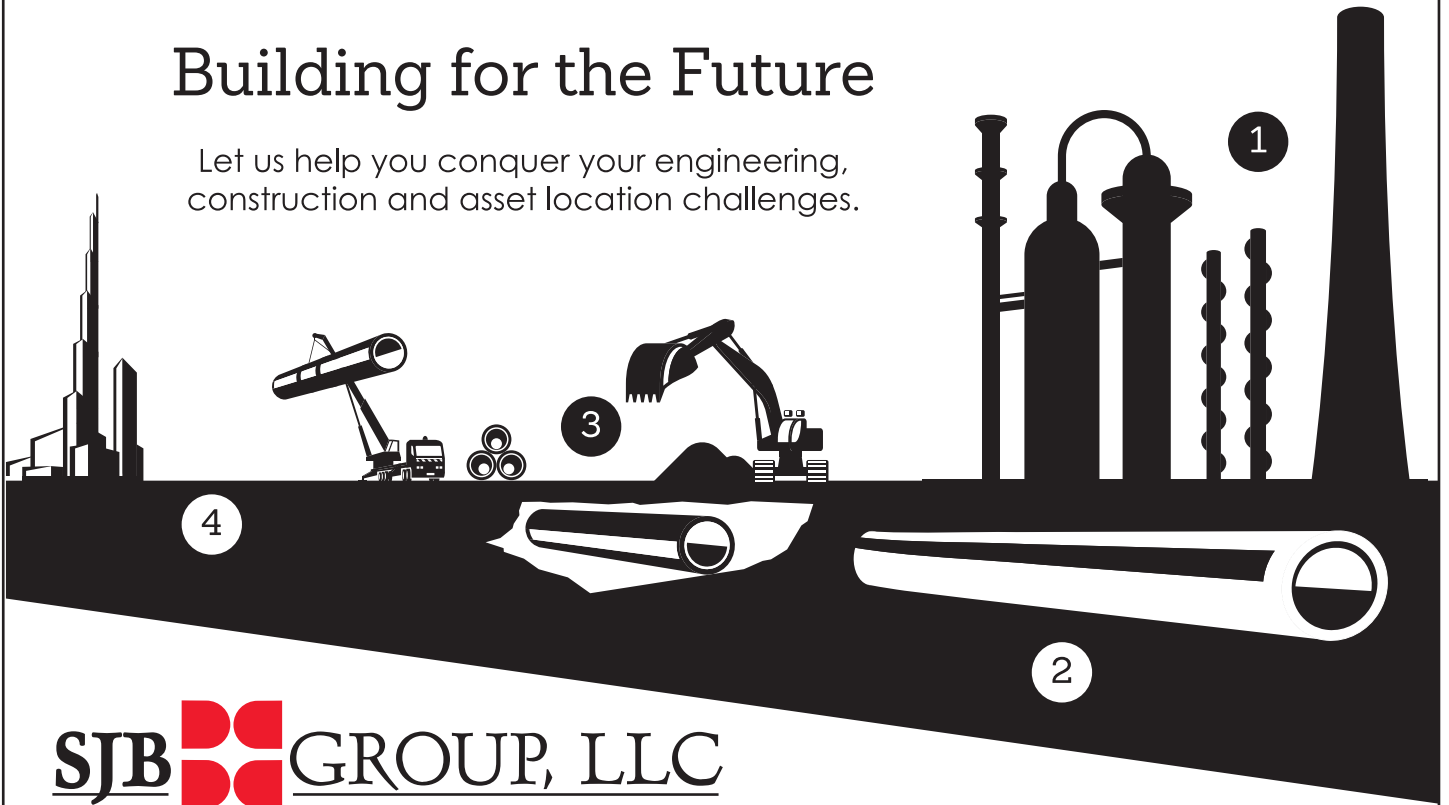
To learn more, visit [www.lca.org/resources/itep-materials/](http://www.lca.org/resources/itep-materials/).

The advertisement features a central image of an industrial facility at night with lights. Overlaid on this image are several elements: a circular logo for 'CONSTRUCTION COMPANY, LLC APC' in the top left; a vertical list of logos for ABC, ARIBA, Avetta, ISN, and Ica in the top right; the text 'WE ARE APC' in large yellow letters across the center; the website 'apconstruction.com' written vertically on the left; and the text 'HEAVY CIVIL DEEP FOUNDATIONS BUILDING' in bold black letters on the right.



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# LCIA Membership Application

One American Place, Ste 2040, Baton Rouge, LA 70825  
(225) 383-7791 (225) 334-0642 FAX

REVISED 01/15/13

Company Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_ Parish: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ Phone: \_\_\_\_\_

Website Address: \_\_\_\_\_ Fax: \_\_\_\_\_

# of employees in Louisiana \_\_\_\_\_ (fulltime & year round contract)

### LCIA Dues Schedule (Check One):

<u>Gross Sales in Louisiana</u>	<u>Annual Dues</u>	<u># Free Listings</u>
<input type="checkbox"/> Above \$500,000,000	\$1,250	10 (primary contact + 9 additional)
<input type="checkbox"/> \$250,000,001 - \$500,000,000	\$1,000	8 (primary contact + 7 additional)
<input type="checkbox"/> \$50,000,001 - \$250,000,000	\$ 750	6 (primary contact + 5 additional)
<input type="checkbox"/> \$1,000,001 - \$50,000,000	\$ 500	4 (primary contact + 3 additional)
<input type="checkbox"/> \$250,001 - \$1,000,000	\$ 250	2 (primary contact + 1 additional)
<input type="checkbox"/> \$250,000 and under	\$ 125	1 (primary contact only)

### Directory Listings:

Each company designates one Primary Contact and is encouraged to list other locations for meeting notifications, some of which may be free (as shown above). **Beyond the free listings, additional contacts can be added for \$30.00 per listing, per year.**

### Primary Contact:

Mr./Mrs./Ms. \_\_\_\_\_ Title: \_\_\_\_\_ E-mail: \_\_\_\_\_

**Additional listings contact:** (If address, phone or fax number is different from above company information, please attach separate list)

Mr./Mrs./Ms. \_\_\_\_\_ Title: \_\_\_\_\_ E-Mail: \_\_\_\_\_

Mr./Mrs./Ms. \_\_\_\_\_ Title: \_\_\_\_\_ E-Mail: \_\_\_\_\_

**Please enclose a check for Annual Dues plus \$30.00 for each additional listing (if any). To pay for your Annual Dues and Additional Listings with a Visa, MasterCard or American Express card, please call Lisa Pulizzano at (225) 376-7670 or enter the information below and mail or fax to the above address.**

Circle One:    Visa                      Mastercard                      American Express

Card Number: \_\_\_\_\_

Name on Card: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

*The Federal Omnibus Budget Reconciliation Act of 1993 denies a business tax deduction for defined lobbying expenditures paid or incurred after 1993. We are required to notify you of a reasonable estimate of the percentage of dues that we will spend on these activities. In accordance with this act, we have estimated that eleven percent (11%) of your 2013 dues will be used for lobbying activities and are, therefore, not deductible.*



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# PORT REPORT



## Rail expansion. Dock improvements. More ship calls.

*A dramatic increase in ship calls at the Port of Greater Baton Rouge prompted improvements to deepwater cargo docks on the Mississippi River and an expansion of rail infrastructure.*

**Union Pacific Railroad** has expanded its interchange tracks along Louisiana Hwy. 1 to be accessed from either the north or south in a \$12 million upgrade, and the Port is moving forward with a \$25 million chambering yard south of the Intracoastal Waterway. The state's Capital Outlay Program will help fund the construction of the chambering yard's three, 110-car tracks to handle **Drax Biomass** wood pellet trains. In addition, **Louis Dreyfus Commodities** will complete their \$20 million facility rail tracks this year to handle 110-car grain trains.

To meet the needs of Drax Biomass, Louis Dreyfus Commodities, **Genesis Energy**, and **Contanda Terminals**, the Port has improved 3,500 feet of deepwater cargo docks with a new fendering system and larger, stronger mooring hooks.

**Port Executive Director Jay Hardman** reports, "We're busy, so as soon as we finish one improvement, we're already making plans to expand for future needs."



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