

LETTER FROM THE CHAIR:

Elsewhere in this newsletter, you'll read about America coming together to defeat George Bush in next year's election. I can only assume that we're 'preaching to the choir' on this important point. It is my opinion, and the opinion of most in the environmental community that George Bush and the current administration is the single greatest threat to our environment that we've faced, possibly ever. You can expect to hear quite a bit more from Sierra Club, both nationally and locally, as the elections approach.

As important as the federal elections are, it's equally important to elect local representatives that will vote to protect the environment. Our local lawmakers create legislation that directly affects Delaware and the health and beauty of our state, and it's essential that we as a community take on educating ourselves as to the voting records of candidates, and if they have no voting record, to find out where they stand on environmental issues.

And that's not always easy to do.

One thing that happened in the last federal congressional elections is that a number of candidates presented themselves as environmentally friendly when in fact they weren't, and they used very carefully controlled language to misrepresent their intentions once in office. Why did they do this? Because they understand the growing power of the environmental vote, and they know that in order to be elected they have to factor in the 'green vote.'

The negative side of this is that it makes it very confusing for a voter to REALLY know what a candidate is about and what they stand for. The positive side is that it shows just how powerful a political force we are, and just how much ability we DO have to make a difference with our elected officials.

So I urge all of you to take the time to be informed about the candidates who are running for office in our state, to take the time to vote in our state, and to exercise your right to have your voice be heard because it does make a difference.

Since it can often be difficult and time consuming for individuals to find out detailed information on candidates, Sierra Club chapter is investigating ways to help gather and disseminate this information. In the past, we've produced a 'voter scorecard' that tracks environmental-related votes in the state as a way to understand a candidate's leanings and we intend to do something in the future that will help you evaluate potential candidates. We are currently looking for others to be involved in this process and to help identify candidates for Sierra Club endorsement, so if you're interested, please give a call to the chapter office!

Finally, our own chapter elections will be coming up in January, when our Executive Committee elections take place. We are currently looking for nominations, so if you, or anyone you know wishes to be considered in the chapter election process please let us know.

So until you hear from us again, I will trust you all to "Explore, Enjoy, and Protect The Planet!"
Matt Urban, Chairman
Sierra Club, Delaware Chapter

Strike Three...

The Corps Fails Again to Justify the Delaware River Deepening

By Dick Bewick, Dave Keifer, and M Casale

In June 2002, The U.S. General Accounting Office (GAO) released a report evaluating the U.S. Army Corps of Engineers' (Corps') proposal to deepen the main navigation channel of the Delaware River from 40 to 45 feet. Based on that report, GAO determined that the actual benefit cost rate (BCR) for this project was approximately 0.5. Since projects are only economically justified if the BCR is greater than 1.0, this finding called into question any previous conclusions to proceed with the project.

The Corps' response was not unexpected. Instead of accepting the GAO's findings and terminating all further work on study and design, it conducted its own "economic reanalysis" and concluded that the project was justified after all. Its BCR was not high (1.14), but not surprisingly, it was high enough to meet the minimum requirements for construction. In December 2002, the Corps released its "Comprehensive Economic Reanalysis Report for the Delaware River Main Channel Deepening Project (Pennsylvania, New Jersey and Delaware)", as well as supporting documents.

What did the Corps do during the six month period from June to December 2002 to "save the project?"

- It changed its analysis and forecast for crude oil imports, by far the most important commodity affected by the channel deepening.
- It found new commodities, where service has been recently initiated and extrapolated current market conditions over the 50-year project life.
- It re-estimated the amount of dredge material that needed to be removed (concluding that it would be less than previously estimated) and therefore disposed of. It reevaluated the likely cost of acquiring land for dredge spoil disposal, bringing this cost down.
- It used a project discount rate that was significantly lower than in past studies thereby dramatically altering project cost projections
- It continued to ignore outstanding environmental issues, including compliance with applicable environmental laws, which could dramatically impact project costs.

In response to GAO recommendation, the Corps introduced a new study process for the Reanalysis ostensibly to provide a clearer picture as to how their conclusions were derived. "Independent" Review Boards were established using "outside" consultants. (Questions have been raised about the true independence of these Corps-hired consultants.) The reviewers raised serious questions that were to be addressed separately by the Corps. While the documents provided by the Corps show that there was a dialog between the Corps and its reviewers, the reviewers were not asked to judge whether or not the Corps' final adjustments to its analysis, or responses to their questions and concerns, adequately resolved the issues raised. This important function of assessing responsiveness and adequacy was assigned to Corps headquarters which found in every case that the issue had been resolved. In addition, the reviewers did not make their own evaluation of the merits of the project.

The Corps' conclusion that the project is economically justified is simply not supported by its own analysis. We have focused on six areas that show the weaknesses of the Corps' conclusions.

1. Crude Oil Benefits: There is disagreement between the Corps and the company that performs lightering for crude oil tankers bringing this product to the Philadelphia refineries regarding lightering costs. The Corps has acknowledged that if the lightering company is correct, project benefits are significantly less than project costs. ("Lightering" refers to the process of transferring oil from one vessel to another so that the first can reduce its sailing draft to the depth of the channel.)
2. Dredge Spoil Disposal: Despite Corps claims to the contrary, the availability of suitable land for disposing of dredged materials resulting from this project is not clear. Moving this material to more distant sites or finding and implementing "beneficial uses" would have a serious impact on project costs.
3. Discount Rate: The Corps' most recent justification for this project depends on the use of a discount rate that is historically at a low point. If, for example, the Corps used the rate established by the Office of Management for evaluating proj-

continued on bottom of page 6