

Port continues to grow, innovate and diversify

PORT OF GREATER BATON ROUGE



AT A GLANCE

PRIMARY PRODUCT/SERVICE:
Maritime industry services and facilities

TOP EXECUTIVE: Jay G. Hardman,
P.E., Executive Director

YEAR FOUNDED: 1952

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LOUISIANA HAS 2,800 MILES of navigable waterways and, as one of the state's five Mississippi River ports, the Port of Greater Baton Rouge is part of one of the largest port systems in the world. Multimillion-dollar projects over the past few years have ranked the Port among the top ports in the nation—and made it a contributor to both global trade and job creation. Not only does the Port of Greater Baton Rouge transport more and more cargo each year, but a 46% increase in ship calls over the past two years, dock improvements and diversification of operations have primed the Port for a robust future.

Container-on-barge (COB) services, a vital method of water transport, returned to the Port in 2016. Operator SEACOR handles up to 400 containers at a time, loading them with products from nearby industries and transporting them to the Port of New Orleans for export. Ports America provides stevedoring services for the operation.

Growing demand is such that SEACOR has increased from one to two runs to New Orleans per week, and volume has nearly quadrupled since the service started last year. Due to the popularity of this service, the Port is accruing equipment for quicker and easier transport with the assistance of a \$1.75 million Maritime Administration grant. A \$4-5 million expansion of the container yard is also being partially funded through Louisiana's Port Priority Program, and the project should be out for bid by summer.

"Our container-on-barge service is continuing to grow," says Port Executive Director Jay Hardman. "We are stretched thin right now and excited about acquiring more efficient equipment and the additional infrastructure. Every one of our containers that ultimately goes down to New Orleans for export is one less 18-wheel truck on our roads and bridges."

LOCAL INDUSTRY ACCEPTANCE is helping ensure confidence in the service, and there's talk of SEACOR replicating the service on the east bank of the Mississippi River in the Baton Rouge Harbor. A visit from U.S. Maritime Administrator Mark Buzby to the Port of New Orleans in December of 2017 served to further validate COB service and the importance of import and export commerce in the state.

In terms of export, Drax Biomass has helped revitalize Louisiana's and Mississippi's timber industry through the manufacturing of wood pellets. Currently transporting the pellets by rail from a manufacturing facility in Bastrop and by truck from a second facility in Gloster, Mississippi, the British electrical power generation company has also purchased a third mill in central Louisiana. A \$30 million renovation will get the Urania facility in La Salle Parish up to speed, as the volume of wood pellets being produced doubles what Drax and the Port had initially planned.

Hardman adds that a fourth independent mill in Pine Bluff, Arkansas, has also come online, with the possibility of a fifth mill locating to the west. "It's certainly been a boost and gives the timber industry another outlet for their product," he says.

A SUSTAINABLE AND RENEWABLE fuel source, the wood pellets made from locally sourced southern yellow

pine trees are stored at the Port and eventually loaded onto ocean going vessels for shipment to the United Kingdom. The innovative operation has resulted in a dramatic increase in ship calls per year for the Port, in addition to the need for improved rail infrastructure.

THREE OF THE EXISTING pellet mills are rail dependent, so Hardman says there is quite a lot of rail improvement under way at the Port. Union Pacific Railroad is expanding its interchange tracks along La. 1 to be accessed from either the north or south in an \$11 million upgrade, and the Port is also preparing to break ground on a \$20-25 million chambering yard south of the Intracoastal Waterway. All three pellet mills are currently utilizing 45-car trains and would like to increase that volume to 80- or 100-car trains, which would allow for more efficiency and cost savings on freight. The state's Capital Outlay Program will help fund the construction of the chambering yard's three, 110-car tracks to handle the wood pellet trains. In addition, Port tenant Louis Dreyfus Commodities is continuing its efforts in designing and constructing a \$20 million facility and rail tracks to accommodate 110-car grain trains.

To serve Drax and also Louis Dreyfus and Houston-based Genesis Energy, ongoing dock improvements will upgrade 3,500 feet of deepwater real estate. Hardman says a new dock fendering system and bigger, stronger mooring hooks will have the docks in excellent shape for years to come.

Hardman likens all of these improvements—from dock to rail—to the process of renovating an older home. "We stay pretty busy," he says. "Some of these design processes were started years ago, so as soon as we finish one improvement, there's something else that needs to be done. We continue to make plans and try to expand for future needs."

THE STATE OF LOUISIANA increasing its funding of the Port Priority Program to \$40 million has helped to partially fund projects like the deepwater dock improvements and container-on-barge expansion. With the purpose of providing jobs and minimizing highway congestion, the program has allowed ports like Greater Baton Rouge to meet market need and keep up with demand.

Hardman also credits the companies like Drax Biomass

that have chosen to locate at the Port for their support and contributions as tenants. "It says a lot that these companies came to Louisiana and the Port," he says. "Between the Mississippi River and our abundant supply of natural gas, we will continue working hard to attract new tenants that are a good fit for what we already have at the Port and what we will be adding for the future." ■

