

Tull

OHIO'S ELECTRIC COOPERATIVES CURRENT

May 2019

Ohio River Site Offers Rare Convergence of Rail, Water and Highway



Waterfront properties have a special attraction, especially during peak vacation season. But the 60-acre Powhatan #7 site on the Ohio River, which is owned by the Monroe County Port Authority, garners attention for its work, rather than its vacation potential. The level riverfront site in Monroe County, Ohio, has 10 existing barge cells, rail access, and excellent truck access via Ohio Route 7 to St. Clairsville/Wheeling (I-470/I-70). This uncommon triple transportation offering is especially attractive to manufacturers and the oil and gas industry. Paul Jeffers, industrial development man-

ager for Norfolk Southern, says, "The number of development-ready sites where river and rail meet is small, maybe half a dozen in Ohio."

River and rail open up more options

Jeffers notes that most companies involved in production, manufacturing, and distribution use rail to transport raw materials. While rail serves a lot more places, river transport offers another option.



Ohio River offers cheapest transport of bulk materials



The Ohio River offers the most fuel-efficient, safest, and environmentally responsible way to move freight. The Powhatan #7 site is located on the river in Monroe County, Ohio.

materials River transportation is especially advantageous for users with high-volume loads," says Donna Hrezo, site coordinator for Appalachian Partnership for Economic Growth (APEG). "River travel is a little slower, so it's better suited to loads that are less time sensitive, but it is the least expensive means of transporting bulk materials." Water transport is the most fuel-efficient, safest, and environmentally responsible way to move freight. It costs approximately 40% less to move goods by barge than rail, and 73% less than by truck.

Fueled by oil and gas demand

Sites served by both river and rail are particularly attractive to the oil and gas industry. As the production center of the Utica shale has shifted farther south in Ohio, so has the demand for incoming pipe, sand, and other drilling materials, and the need to move oil and gas products out of the region. The Powhatan #7 site is located in Monroe County, which is adjacent to Belmont County, Ohio, where due diligence work continues on the proposed PTTGC cracker plant. The \$6 billion Pennsylvania Shell ethylene cracker plant is currently under construction farther north on the Ohio River near Pittsburgh.

Powhatan #7 site has size, riverfront and rail access

Jason Hamman, economic development consultant for Monroe County Port Authority, says, "The

most likely end-user of the Powhatan #7 site is an energy, chemical, or plastics manufacturer that can make use of the site's unique attributes."

The 60-acre waterfront site has flat topography and proximity to key shale development facilities. The site is located in an Opportunity Zone, Enterprise Zone, and has a TIF that could be utilized.

The Central Main & Quebec shortline rail runs parallel to the site. Hamman says, "Preliminary engineering studies indicate it would be relatively simple to add a siding track."



The 60-acre Powhatan #7 site has riverfront access, flat topography, rail access, and proximity to shale development facilities.

Jeffers adds, "Norfolk Southern connects with the shortline rail one mile away at the Clarington, Ohio, connection point. The Norfolk Southern system includes 19,500 route miles of mainline pointto-point track, with more than 250 shortline connections serving 22 states mostly east of the Mississippi River, plus Washington D.C."



Existing barge cells and river terminals

The Powhatan #7 site has 10 existing barge cells. The APEG-served portion of the Ohio River has 14 river terminals that offer loading and unloading services within the 451 miles that border the 10 riverfront counties in the 25-county APEG region. Every year, 63 million tons of commodities valued at \$7.4 billion are transported to, from, and within Ohio via the Ohio River.

OEC and APEG grants advance site readiness

Kyle Heavrin, director of energy services and business

development for South Central Power Company (SCP), requested a matching grant from Ohio's Electric Cooperatives' (OEC) Site and Community Assistance Program to provide the Monroe County Port Authority \$12,500 to assist with developing the Powhatan #7 site. Heavrin says, "OEC and SCP awarded the funds, which were used to conduct a comprehensive barge cell inspection and to evaluate the feasibility of using helical pile foundations to support a 100,000 SF speculative building so that it is above the 100-year flood plain." Hamman added that of the 10 existing barge cells, seven are currently in use and three need some repairs.

Additional grants from APEG totaling \$6,570 supported performance of the wetlands delineation,

endangered species assessment, and cultural resources literature review. The Phase I ESA was completed, and a Phase II ESA was not indicated.

Local electric cooperative serves energy-intensive loads

"South Central Power is very familiar with serving energy-intensive loads in the oil and gas industry, and we welcome the opportunity to serve any type of load at the Powhatan #7 site," says SCP's



The 10 Ohio River counties served by APEG are home to 14 river terminals that offer loading and unloading services. APEG serves the 25 Ohio counties shaded in green. The Powhatan #7 site is located in Monroe County. Map courtesy of APEG.

Heavrin. SCP is a member-owned electric cooperative serving nearly 120,000 residential, commercial, and industrial customers in 24 Ohio counties, including Monroe County. Heavrin adds, "We are proud to support our economic development partner organizations and the communities we serve throughout SCP's service territory."

Manufacturers thrive in APEG region

The APEG region of southern and eastern Ohio is home to 33 Fortune 500 manufacturing, distribution, and back office locations with excellent freight options, uncongested four-lane highways, two interstates, two Class 1 railways, and Ohio River access. The region enjoys the cheapest energy in the country thanks to the Utica and Marcellus Shale plays.

APEG's polymers and plastics, energy production, food manufacturing, automotive parts manufacturing, petrochemical,

hardwood products manufacturing, and metals fabrication industry sectors produce raw materials, root materials, supply chain components, and finished consumer products. Manufacturers enjoy a workforce with a deep history of manufacturing and a documented skilled labor surplus.

For more information about the Powhatan #7 site and others served by Ohio's Electric Cooperatives, contact Dennis Mingyar at (614) 430-7876 or <u>dmingyar@ohioec.org</u>.

Additional resources:

Jason Hamman Monroe County Port Authority econdev@monroecountyohio.com (440) 292-5326 Donna Hrezo **APEG**, JobsOhio Network partner for Southern & Eastern Ohio <u>dhrezo@apeg.com</u> (740) 381-0230 Paul Jeffers **Norfolk Southern** <u>Paul.Jeffers@nscorp.com</u> (614) 264-4379

Buckeye Power and Ohio's Electric Cooperatives can help with:

- Comprehensive site and building portfolios
- Preliminary site studies
- Site search tours
- · Assistance in identifying financial incentives
- Electric rate analyses
- · Community profiles
- State and local government contacts
- Contractor introductions

Look for Us:

Spring 2019 Industrial Asset Management Council (IAMC) Professional Forum May 4-8, 2019 Santa Barbara, California



Contact Us: **Dennis Mingyar** Ohio's Electric Cooperatives <u>www.ohioec.org</u> 6677 Busch Boulevard Columbus, OH 43229 614-430-7876 <u>dmingyar@ohioec.org</u>