

Survey: ‘If we’re concerned about the will of the people, it’s certainly the will of the people to keep the dams in place’

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“People are being told that their neighbors essentially support dam breaching, and I don’t think that’s the case,” he said. “It’s important for the public to know it’s only a smaller minority that believes this would be good policy for the Pacific Northwest.”

Miller hopes policy makers such as Inslee and Murray pay attention to the survey’s findings.

“We want to find the most productive ways of helping salmon without harming society,” he said. “If we’re concerned about the will of the people, it’s certainly the will of the people to keep the dams in place.”

Miller believes the survey results show residents understand the energy challenges ahead, citing 100% clean energy objectives, initiatives for electric cars and other forms of transportation and the loss of fossil-fuel resources such as coal and natural gas generation plants.

“I think what people see

there is that resources that are carbon-free and can produce electricity 24-7 are going to be really important in the region’s future,” he said. “I think people can do the math.”

Efforts to breach the dams, especially Inslee’s and Murray’s proposed initiative, represent a “significant clear and present danger” to the

future of the dams, and eventually the entire hydropower system, Miller said.

“A lot of the arguments that are made in favor of breaching the lower Snake River dams are often not based on complete information, or even (based on) inaccurate information,” he said. “Our concern is that those same questionable argu-

ments will be applied to other dams if these dams go.”

Northwest RiverPartners serves not-for-profit, community-owned electric utilities in Oregon, Washington, Idaho, Montana, Utah, Nevada and Wyoming and represents partners that support clean energy, low-carbon transportation and agricultural jobs.

Ports: Price of shipping exports from U.S. is skyrocketing

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apples to Idaho potatoes — is feeling the pinch.

Shipping containers that once sat on the docks for 3 to 8 days are now waiting a month or longer to be loaded onto vessels, depending on their destination.

In some cases, carriers are foregoing Asia-bound exports altogether, opting instead to send empty containers back to Asia, where they are loaded with higher-priced merchandise such as clothing, footwear and kitchen appliances. Critics of the practice describe it as a money grab, with the industry reporting record profits this year of more than \$200 billion.

The price of shipping exports from the U.S. is also skyrocketing. Jacobson said general rates that once ran \$400 to \$500 per container are now as high as \$2,000 to \$2,500.

While that added cost can be tacked onto the prices of most consumer goods, farmers are largely price-takers, meaning they cannot pass along higher costs.

Peter Friedmann, executive director of the Agriculture Transportation Coalition, a trade group in Washington, D.C., that represents U.S. agricultural exporters, said he has heard from at least one member — a hay grower in Washington — who did not bother cutting hay for the first time because he could not get his product through the ports.

Delayed and canceled shipments hurt agricultural exporters in another way, too. Once international customers turn elsewhere for products, Friedmann said U.S. producers risk losing them forever.

“If we can’t deliver it affordably and dependably, our foreign customers will go somewhere else,” he said. “The reality is, there is nothing we produce here in the U.S. agriculturally ... that can’t be sourced from somewhere else in the world.”

Experts say the logjam at ports will likely persist well into 2022, though new legislation and infrastructure improvements may help to alleviate the problem.

‘Self-inflicted wounds’

Friedmann said there are several “self-inflicted wounds” that led to the current crisis.

Most terminals along the West Coast, he said, were built to accommodate smaller ships that car-



All eight cranes work two ships at the Husky Terminal in Tacoma, Wash.



Tom Bellerud



Rep. Shelly Boshart Davis



Todd Fryhover



Peter Friedmann



Tracey Chow

ried 7,000 containers at a time. Today’s largest vessels are almost a quarter-mile long and carry from 18,000 to more than 22,000 containers.

“There’s no place to store this stuff when it gets off (the ship),” Friedmann said. That’s especially true in cities where the docks are surrounded by busy downtown areas.

Friedmann said the U.S. also has some of the lowest allowable truck weights in the world, with California interstate highways capped at 80,000 pounds gross weight. Instead of hauling loads in one or two truckloads, he said it takes two or three, contributing to the shortage of chassis and drivers.

The American Trucking Associations estimated the driver shortage would hit a record high of more than 80,000 drivers by the end of the year.

Although these problems had been festering in the U.S. for decades, Friedmann said, the coronavirus pandemic brought them to a head in 2020.

COVID-19 caused shutdowns at ports and factories in China, which limited the production and movement of products. Meanwhile, more Americans were stuck at home and shopping online, amping up demand for imported consumer products.

That created the perfect recipe for delays. Last month, a record 111 container ships were anchored off the Southern California coast, waiting to dock and unload their cargo.

“It’s complete confusion,” Friedmann said,

adding that carrier service schedules have become “completely undependable.”

In a recent survey, Agriculture Transportation Coalition members reported losing 22% of their export sales due to supply chain problems.

‘Shipping fatigue’

At BOSSCO Trading, Jacobson, the international sales manager, and Shelly Boshart Davis, vice president of international sales, say they are left exhausted.

“There’s this shipping fatigue that’s really starting to set in,” said Boshart Davis, who also serves as a Republican representative in the Oregon Legislature. “We pride ourselves on being flexible, but it feels like we’re putting out fires every day, every hour, all the time.”

BOSSCO Trading markets straw from about 40 grass seed farms around the Willamette Valley.

Once the seed crop is harvested, BOSSCO’s crews arrive to rake and bale the leftover straw, which then goes to a hay press in Salem. The bales are loaded into shipping containers and sent to ports in Seattle, Tacoma and Portland via truck and rail.

Normally, BOSSCO Trading handles 2,200 containers in a year. However, Jacobson said it is becoming harder to find containers, as they are stuck on ships or at docks. Bookings from some carriers have also been canceled for months — called “vessel voids” — leaving products stranded.

Boshart Davis estimates their costs are up 100%

to 150% between increased rates and fees, to say nothing of the mental and emotional toll.

“When you can’t be productive and efficient ... it costs a lot of money when you’re scrambling all the time,” she said.

Todd Fryhover, president of the Washington Apple Commission, said his members are under similar pressure.

Apples are Washington’s most valuable agricultural commodity, with \$2.1 billion in sales in 2020. About 30% of the state’s production is exported, though Fryhover said port congestion has producers concentrating this year more on North American markets as opposed to overseas.

But that also has a cost. For every 1 million boxes of fresh apples shifted into the U.S. domestic market, the price drops about 50 cents per box as supply begins to overtake demand, Fryhover said.

“The entire supply chain as been affected,” he said. “It’s not easy to point at one place and say, ‘Fix this and everything will be better.’ That’s certainly not the case.”

Increasing capacity

The vast majority of marine cargo in the Northwest is handled by the ports of Seattle and Tacoma, Wash., governed by the Northwest Seaport Alliance. It is the fifth-busiest container gateway in the U.S., behind the ports of Los Angeles, Long Beach, New York-New Jersey and Savannah, Ga.

Tom Bellerud, chief operations officer for the seaport alliance, said agriculture is a dominant exporter in the region.

Congestion has cer-

tainly hampered the Seattle-Tacoma gateway, Bellerud said, though he sees signs that pressure may be letting up somewhat. The number of ships that were once backed up in Seattle — albeit not as extreme as Southern California — is now the lowest it has been “in a very long time,” he said.

Bellerud credited a few factors that have helped to relieve the bottlenecks.

First, he said both Seattle and Tacoma are utilizing alternative container yards, freeing up valuable space on the terminal docks and allowing products to move more efficiently. The Port of Seattle identified an additional 40 acres at Terminal 46, and the Port of Tacoma opened an additional 20-acre yard.

“We have the luxury of having some additional land and space near our terminals that can offer greater utility to the overall operations,” Bellerud said.

The biggest upgrade, however, will be the reopening of Terminal 5 in Seattle, Bellerud said.

The 185-acre terminal has been under construction for several years. It is slated to go into service in phases beginning in January, with more than \$500 million in improvements.

“That will open some space and relieve some congestion at Terminal 18,” Bellerud said.

Bellerud said he is not aware of any other major port operation bringing this much new capacity to the marketplace.

“We’re very proud of that,” he said.

New legislation

Solving the supply chain crisis is expected to take time, but agricultural groups are encouraged by a bill they say will crack down on shipping lines’ unreasonable practices and improve transparency for exporters.

The Ocean Shipping Reform Act of 2021 passed the U.S. House of Representatives with bipartisan support on Dec. 8. Lawmakers have said the bill will ensure maritime shipping remains competitive, reciprocal and protect businesses from price gouging.

Tracey Chow, federal government affairs specialist for Western Growers, said the bill is not a silver bullet, but as the shipping crisis eases it will allow the industry to ensure a level playing field for agricultural exporters.

“We want the commerce system to work for both sides,” Chow said.

For example, Western Growers — which represents vegetable, fruit and tree nut farms in California, Arizona, Colorado and New Mexico — has called out the practice of ocean carriers sending empty containers directly back to Asia instead of sending them inland to be loaded with agricultural goods for export.

Carriers are able to charge upward of \$20,000 per container for imports from Asia, enticing them to skip agricultural exports altogether.

“From a business perspective, it’s hard to compete with that,” Chow said. “You can’t just keep bringing in imports and not have reciprocity for exports to leave.”

The Ocean Shipping Reform Act would prohibit carriers from declining U.S. exports “unreasonably,” as determined by the Federal Maritime Commission.

It would also require common carriers to report to the commission total import and export tonnage, and loaded versus empty containers per vessel each quarter.

To incentivize efficiency, Chow said ocean carriers and ports may charge what are known as “detention and demurrage” fees if containers are not unloaded or returned quickly. The fees can be as much as \$500 per day per container.

But with congestion at the ports, Chow said exporters may not have the flexibility to avoid getting hit with penalties.

It is typically up to the invoiced party to dispute whether these charges are reasonable. The bill would shift that burden of proof to the ocean carrier.

“(This crisis) has brought attention to how imbalanced the maritime shipping industry is becoming,” Chow said. “Everybody understands this is an issue that needs to be addressed.”

Looking ahead, Friedmann, with the transportation coalition, said the crisis at ports could drag into 2023 before ocean carriers can provide more ships and containers, and demand for imported consumer goods starts to abate.

“As long as people are staying home and buying these huge volumes of imported goods, and everything we own and play with is made overseas, this is going to continue,” he said.

Snow: ‘It’s unlikely we’ll have as bad of conditions as we did last year’

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100% to 126% of average.

“It’s unlikely we’ll have as bad of conditions as we did last year,” said Bond.

However, Bond said, to make up for deficits, climate models predict it would require 140% to 150% of normal precipitation levels to continue for six months to end the drought — “a tall order.”

Bond predicts La Nina, a weather event that chills the Northern U.S., may bring a cool, wet spring to help replenish water supplies.

Though the outlook is positive for irrigation districts, Bond said farmers running non-irrigated pastures and dryland crops will struggle

in 2022 unless there’s more low-elevation rainfall in the coming months, something that’s not associated with La Nina.

Oregon

West of the Cascades, snowpack is good, though experts say it could take a few years of above-average precipitation to refill some basins.

Scott Oviatt, snow survey supervisor for Oregon’s Natural Resources Conservation Service, said to fill reservoirs and improve streamflows, substantial snowpack and precipitation are needed, which could be disrupted if there’s an early spring melt-out or dry period in the mid-

dle of winter.

As of Dec. 26, the snow-water equivalent in the Willamette Basin was 153% of average, and the snow-water equivalent in the Rogue-Umpqua was 187% of normal.

“That’s really great. The trend is towards recovery,” said Larry O’Neill, Oregon state climatologist and professor at Oregon State University.

But in Central and Eastern Oregon, where precipitation had been below-average this fall, drought may continue unabated.

“There’s probably going to be an East-West divide this year,” said O’Neill. “Even though a lot of times you

hear the Pacific Northwest is doing great this winter, Central Oregon probably isn’t going to recover this year. I want to make sure people are prepared.”

Southern Oregon, experts say, is a wild card. Snow and rainfall levels vary across the region, and complex water-management issues in the Klamath Basin are intertwined.

“A good water year is not going to solve the problems there,” said Bond.

Idaho

Bill Wojcik, meteorologist for the National Weather Service in Boise, said Idaho is on track for a better water year but has a long way to go.

“We had quite a deficit and we’re making up some ground,” said Wojcik.

According to SNOTEL data Dec. 27, the Southern portion of the state bordering Nevada and Utah has below-average snow-water equivalent levels, the Owyhee and Upper Snake basins are at 95% of average, the Boise River Basin is at 125% of average and Payette is at 122%.

Though things are looking up, experts say it still would probably take 120% of average snowpack all winter to refill crucial reservoirs.

California

Jeanine Jones, drought and interstate resources man-

ager at the California Water Resources Department, said it’s “simply too early to tell” how the recent Sierra Nevada snow storms will impact next year’s water supplies.

Nevertheless, she said the situation looks positive.

“Currently, Sierra Nevada snowpack is well above average, which is great. Will that continue?” she said. “I will say we’re much better off than we were at this time last year.”

Jones said it will take significant precipitation to bring many reservoirs back to normal levels. Although some watersheds are doing well, Jones said others — including Shasta and Oroville — started the season “very, very low” and are still low.