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**CONGRESS APPROVES ADDITIONAL FUNDING FOR THE
HOUSTON SHIP CHANNEL EXPANSION PROJECT**

Bill Appropriates \$33.785 Million for 2002

HOUSTON, November 7, 2001 – The U.S. Congress has passed and sent to President Bush legislation providing \$33.8 million in federal funding to continue a five-year, \$511 million project to widen and deepen the Houston Ship Channel in order to accommodate larger ships, reduce shipping costs and improve Channel safety.

“Congressman Tom DeLay’s strong support for the Port of Houston Authority has been invaluable in making sure this crucial funding will be available to continue the Houston Ship Channel project,” said Port of Houston Authority Chairman James T. Edmonds. “Although the slowing economy, the war on terrorism, and threats on our homeland security make this is a tough year for federal funding, our Texas and Houston Congressional delegations have not vacillated in their strong support for the Port.

“The Houston Ship Channel expansion will provide Houston’s petrochemical industry alone with an estimated annual savings of \$80 million in petrochemical product transportation costs, and benefit other users of the Port of Houston with enhanced transportation efficiency,” added Edmonds. “Improvements to the Channel will allow larger ships with heavier cargo loads to use the waterway and permit vessels to pass each other with a greater margin of safety for both ships and crews.”

Congress authorized the expansion of the Houston Ship Channel in 1996. Dredging operations to deepen the channel from 40 to 45 feet and widen it from 400 to 530 feet began in 1998 and are expected to be completed by December 2003. This year’s \$33.785 million

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appropriation will be available upon the President's approval of the Energy and Water Development Appropriations Act of 2002.

The Port of Houston Authority owns and operates the public facilities located along the Port of Houston, a 25-mile-long complex of diversified public and private facilities that handle more than 175 million short tons of freight worth more than \$60 billion annually. The Port Authority plays a vital role in ensuring navigation safety along the Houston Ship Channel, a key economic catalyst for the city since the Port of Houston first opened to deep-water vessels in 1914. The Port is the source of more than 200,000 direct and related jobs and generates about \$525 million annually in state and local taxes. The Port of Houston ranks first in the U.S. in foreign waterborne commerce and second in total tonnage. Each year, more than 7,000 vessels from around the world call at the Port.

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