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The Honorable Pete Buttigieg U.S. Secretary of Transportation U.S. Department of Transportation 1200 New Jersey Avenue, SE Washington, DC 20590 May 10, 2024

Rear Admiral Ann C. Phillips Maritime Administrator Maritime Administration U.S. Department of Transportation 1200 New Jersey Avenue, SE Washington, DC 20590

Dear Secretary Buttigieg and Rear Admiral Phillips:

RE: Duluth Seaway Port Authority Grant Application MARAD Port Infrastructure Development

On behalf of Sappi North America, please accept this letter of support for the Duluth Seaway Port Authority's (DSPA) application for \$33.8M in grant funding through the Port Infrastructure Development Program to help fund the 2024 Duluth Port Terminal Expansion project; this grant, should it be awarded, will be matched by \$8.45M in secured state grant and local funding.

The DSPA owns and operates Clure Public Marine Terminal on Rice's Point in Duluth, which falls within the larger Lincoln Park neighborhood. Improvements to port infrastructure and service capabilities made by DSPA support the growth of well-paying industrial jobs in Duluth and strengthen supply chain options for regional industries. As of 2022, maritime shipping within the Port generated over 7,000 direct and induced jobs and over \$1.6 billion in economic activity.

The 2024 Duluth Port Intermodal Terminal Expansion and Rehabilitation project includes 3 main components: (1) reconstruction of 625 linear feet of the Berth 11 dock at the Clure Public Marine Terminal (2) demolishing the former grain elevators at the Duluth Lake Port to create 7.5 acres of new laydown space; and (3) reconstruction of 1150 linear feet of the Duluth Lake Port dock. This urgently needed rehabilitation of port infrastructure will allow for future expansion at the port, which last year handled an impressive 31.7 million tons of cargo, including iron ore, cement, durum wheat, spring wheat, oats, beet pulp pellets, and breakbulk, project and containerized cargo.

Sappi North America, Inc., which has an integrated pulp and paper mill in Cloquet, MN and headquartered in Boston, is a market leader in converting wood fiber into superior products that customers demand worldwide. Our four diversified businesses – high-quality Graphic Papers,

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Sappi North America is a subsidiary of Sappi Limited (JSE), a global company headquartered in Johannesburg, South Africa, with more than 12,000 employees and manufacturing operations on three continents in seven countries and customers in over 150 countries.

The initiatives within this grant application support sappi North America's goals of a modern, vibrant, and competitive port option in the Duluth area.

We appreciate your consideration of this application.

Sincerely,

Mike Segal Director, Logistics and Operations Planning Sappi North America

