

1976

Coal turns the tide

FIFTY YEARS AGO THIS SUMMER, as the nation marked its bicentennial, the City of Superior was caught in a fiscal vise. Wisconsin's state-imposed property tax levy limits — in effect from 1975 through 1982 — capped how much the city could raise through property taxes. Inflation outran the cap, and a decade of population loss was eroding the tax base. City Hall openly weighed suspending garbage pickup, laying off municipal workers and imposing a wheelage tax on every car registered.

Fortunately, relief was inbound. On June 16, 1976, the lake freighter *St. Clair* arrived at the \$45 million Superior Midwest Energy Terminal (SMET), a new 200-acre coal transshipment complex in the Port of Duluth-Superior.

Loading began the next day and continued at a good clip throughout the summer. By Sept. 9, the facility moved its one-millionth ton, a milestone in less than three months. For the season, Duluth-Superior's total coal tonnage jumped from 2.26 million short tons in 1975 to 3.16 million in 1976, a 40 percent year-over-year increase driven almost entirely by the new facility.

The fiscal dividends followed close behind. After Superior voters declined to authorize taxing above the state levy limit, Wisconsin's State Department of Revenue confirmed that SMET added roughly \$12 million to the city's tax rolls, lifting Superior's assessed valuation from \$138 million to nearly \$154 million in a single year. With the coal terminal now paying a substantial share of the local tax bill, the burden on individual homeowners lightened and Superior gained a durable new pillar of revenue.

A half century later, as the United States marks its 250th anniversary, SMET closed June 30, concluding a 50-year lease that delivered 571 million tons of coal. The ship that opened the terminal — and the ambition behind it — is profiled by Patrick Lapinski.



The 1,000-foot lake freighter *St. Clair* was designed to haul coal from Superior, Wisconsin, to Detroit Edison's power plants at St. Clair and Monroe, Michigan.

The Ingenuity of Man



IT WAS BUILT UNLIKE ANY OTHER SHIP AT THE TIME — 770 feet long, with a 92.1-foot beam and a 52-foot depth, as wide and deep as any vessel on the Great Lakes. And tall, roughly twice the freeboard of a standard laker, enough that, when light, it caught the wind like a semi on an Oklahoma highway. On Wednesday, June 16, 1976, the lake freighter *St. Clair* pushed its blunt bow through the Superior (Wisconsin) entry at 7:10 p.m., escorted by a flotilla of small craft as it navigated the front channel to inaugurate the newly built Superior Midwest Energy Terminal. The local maritime and industrial community had waited for this moment, and it did not disappoint.

A NEW LINK IN THE CHAIN

After three years, the pieces of a mine-to-dock-to-power-plant connection for Detroit Edison reached a culmination

A spectacular second act for coal takes the Superior stage

that summer, including the \$45 million terminal itself — a wholly owned subsidiary of Detroit Edison, operated by Ortran Inc., the joint venture of Orba Inc. of Fairfield, New Jersey, which designed the facility, and the C. Reiss Coal Company of Sheboygan, Wisconsin. The new dock and storage yard engulfed three former inbound coal docks along the south side of the harbor. The roughly 200-acre facility spawned a new term in the Superior lexicon: “energy terminal.”

The \$24 million marine component was the *St. Clair*, built at Bay Shipbuilding Company in Sturgeon Bay, Wisconsin. The vessel was owned by the Bell Steamship Company under management

of the American Steamship Company of Buffalo, New York, a subsidiary of GATX Corporation of Chicago. The end point of the supply chain was 680 miles away at Detroit Edison's St. Clair Power Plant in East China Township, Michigan, which served 1.7 million customers across 7,600 square miles of southeastern Michigan. Coal-fired equipment accounted for 75 percent of Detroit Edison's generating capacity at the time, requiring an estimated 630 million tons across the fleet's life expectancy.

Designed with a rounded bow to reduce friction and clad in a matte black hull, the new vessel was the first of a new breed in the supply chain linking low-sulfur

SEASONS OF YORE

Western coal — shipped by rail under a 26-year contract with the Decker Coal Company in Montana to mine 150 million to 200 million tons — to the transshipment facility in Superior, the halfway point on a 1,700-mile journey to Detroit Edison's St. Clair plant.

THE BIGGEST BAY SHIP COULD BUILD

Construction of the structural portion of hull No. 714 concluded with a side-launching on July 24, 1975 — the largest vessel ever side-launched on the Great Lakes. Once in the water, the interior electrical, plumbing, HVAC, navigation, crew quarters and engine room were fit out over the next year. Before the vessel was finished, plans were already in the works for a 1,000-foot ship that would soon eclipse it.

Bay Shipbuilding was not the initial yard of choice for the *St. Clair*, recalled Joe Fischer, naval architect and designer.

"AmShip is building the (*James R.*) *Barker* and the (*Mesabi*) *Miner*, and C.T. (C.T. Shen, chairman of the board and CEO of American Steamship) thinks that we should get into the 1,000-foot business, but Erie Marine Inc. is closed down. They had a fiasco with the (*Stewart J.*) *Cort* and the *Presque Isle*, so they're closed down. AmShip is busy and C.T. has got a contract with Detroit Edison to haul umpteen million tons of coal a year. He comes to Bay Ship after the *H. Lee White* was built and says, 'What's the biggest you can build?' They say, 'Well, 790 by 90 or something.' So, the *St. Clair* was built. C.T. is already in charge of not naming his ships after people, so he names it after a port of call; it would be the *St. Clair*," Fischer recalled from his office in Sturgeon Bay. "They built the *St. Clair* over there and they side-launched it, and C.T. likes to buy and sell ships, so he sends a letter of intent to Manitowoc* to build five vessels at a 1,000-foot each because AmShip is filled up, but C.T. has no need for five vessels. He can use one for Detroit Edison. The other four, he's just gambling. So, he signs a contract with Manitowoc to build five vessels at a 1,000-foot each, and I said, 'We've got

to have a graving dock because if they get injured, grounded, AmShip is full, I've got no place to repair them. I can't have our investment idle 'til we get a spot in AmShip's dock.' So, he gives Bay Ship \$5 million, a million per hull, to build this graving dock. So, they build this graving dock, put all the fill over here and made a Little League baseball park, all on C.T.'s dime. He likes to wheel and deal."

"So, he's got these five ships," Fischer continued. "He's got a contract for the first one from Edison, which is the *Belle River*, because the name of the port and the power plant is called Belle River. He sells the second hull to Bethlehem Steel. He has no use for it. It was the (*Lewis Wilson*) *Foy*. Then he sells the third ship to U.S. Steel. It's the (*Edwin H.*) *Gott*. He takes the fourth ship, the *Indiana Harbor*, and keeps that at ASC and gets a five-year contract from Inland Steel to haul to Indiana Harbor. Then he sells the next one to Bethlehem again (*Burns Harbor*), so C.T. is wheeling and dealing. He sells the birthright, the right to build the ship, so all those ships have the same hull but they have different arrangements, which each company wanted. And C.T. sold them at his price, which he was getting from paying Manitowoc,



plus a million dollars to help pay for his dry dock. He gave away five and he's going to get three back. He was a very shrewd businessman," Fischer said with a chuckle. "He was something else."

A BEAUTIFUL SHIP—AND A HANDFUL

The *St. Clair* was christened at Bay Shipbuilding on April 22, 1976, by Mrs. John R. Hamann, wife of Detroit Edison's president, before industry leaders, shipyard workers and Wisconsin Gov. Patrick Lucey. Superior Port Director Peter Sauter and Harold Andresen of the Douglas County Board of Supervisors represented the local delegation. Because the Superior loading facility was not yet complete, the *St. Clair* sailed light on May

DARK DAYS

A fire ignited on the *St. Clair* in 2019, causing an estimated \$150 million in damage. The vessel was towed for scrapping in 2021.





Later in its career, Hedine recalled, the high freeboard challenged the crew when loading at other ports on the Great Lakes.



Built for coal, but not necessarily for comfort, the *St. Clair* had a tendency for rolling when she sailed in ballast.

4, 1976, for Escanaba, Michigan, to take on taconite. On its second trip, it took its first load of coal — 32,482 tons of eastern coal at the Norfolk and Western coal dock on Pipe Street in Sandusky, Ohio.

Bob Hedine was a young wheelsman in 1976 when he joined the crew of the *St. Clair* for a few months that summer.

"It was a beautiful ship," Hedine recalled. "The biggest quirk was the freeboard on it. When you're sailing in ballast, you can't get her down far enough to keep her from rolling, because she rolled bad. I was in one of the center rooms, so my bunk was longitudinal with the keel. I used to have to tuck my sheets in on the inside and then go around, tuck them in on the outside, real tight, and then get by the head of the bed and slide down into the covers. Otherwise, I'd roll out of bed. That kept me in so I could sleep," Hedine said.

"She was built for Superior and St. Clair; that was supposed to be her only run. As time went on, they had to diversify a little bit and had to start hauling different cargoes, but getting her into some of them places was pretty tough. When we were trying to haul stone, like out of Calcite (Michigan), they had to take the limits off of their loading equipment to get the ship loader up high enough to start loading us. We'd start aft and we get her down underneath as far as we could, and then we work our way up the deck to get her down and then you could finish your load."

THE SYSTEM COMES TO LIFE

Testing of the SMET loading system was well underway by early June. On June 8, the steamer *John J. Boland* tied up to take a partial cargo and put the dock's auto-

mated gear through its paces. A few bugs remained in the sensors synchronizing conveyor speeds between the storage yard and the loading dock. A week later, on June 15, the 635-foot *Sam Laud* took the first full official cargo of low-sulfur Western coal at the SMET dock, clearing the path for the *St. Clair*.

Thursday, June 17, dawned mostly cloudy, mid-60s, rain in the forecast — none of it dampening the spirit of the day as the crew of the *St. Clair* waited patiently for the speeches to conclude. Detroit Edison's president praised the scope of the project, calling the components accommodating coal movement halfway across the country "indicative of the engineering ingenuity of man when he sets his mind to solving difficult and complex problems."

That afternoon, after the dignitaries circled the terminal yard in a Burlington Northern passenger train and the local mayor was feted with cake for his 30th birthday, the real work began. Following repairs to the *St. Clair's* stern thruster, loading ran 13 hours through the night — 42,900 short tons of low-sulfur Montana coal, about 12,000 tons more than any vessel had ever carried on the inland lakes. The *St. Clair* departed Superior about 3 p.m. Friday, June 18, bound for Michigan on its maiden coal run. The vessel would go on to make the 1,360-mile round trip many times over the next four decades.

Sadly, the *St. Clair* ended its career with a disastrous fire while in lay-up in Toledo, Ohio, on Feb. 16, 2019. As the energy market shifted and demand for low-sulfur coal declined, the SMET Terminal closed June 30, 2026, when its property lease expired — concluding a 50-year run on the Superior waterfront. Between 1975 and 2025, the facility shipped 571,888,350 short tons of coal and set numerous records. 📍

*Manitowoc Shipbuilding Company was the predecessor to Bay Ship; Fischer refers to them interchangeably.

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