American Marine Highway Update

AAPA MEDC Workshop
July 13-14, 2010

Smaller Niche Ports and AMH
Maritime Industries

Over 4,400 Jobs

$1 Billion Port Economy

Commercial Fishing
- Number 1 Value Fish Port; $1 Billion Industry; 500 vessels
- 146.4 Million pounds of fish valued over $241.3 million; 35 Seafood Processing Plants and 25 Whole Sale Companies

Cruise
- Brings ~1,500 People through the Port; 22 Ports of Call for 2010
- 5 Year contract with American Cruise Lines > 20 ports of call

Ferry
- New England Fast Ferry and Cuttyhunk Ferry bring 120,000 people through the port annually
- Both operations are now moving freight

Freight
- $60M Break Bulk: 55,000 tons break bulk imported from Africa
- $230M Bulk: 134,000 tons petroleum; 400,000 tons of aggregate
- $441M Fish: 123,000 tons fish imported/exported

Recreation / Excursion
- 8 Marinas in the New Bedford / Fairhaven Harbor; 950 Moorings
- 2007: 1 Sailing Tour; 2008: 3 Sailing Tours; 2009: 3 Sailing Tours
- 3 Charter Fishing Operations / 3 Harbor Tours-Water Taxis

Shipyards
- Fairhaven Shipyard and Steamship Authority (Fairhaven)
- Major employers and support Commercial Fishing Industry

Supporting Services
- Over 200 supporting businesses
- Ice; Fuel; Vessel Painting; Welding; Electric; Legal; Insurance; Settlement Houses; Salvage
Get AMH Connected

- US Maritime Administration
  - Web Site
  - Washington, D.C.
  - Gateway Officers

- Americas Marine Highways.com
  Wayne McCormick

- MTS Matter’s Paul Bea Blog

- Port of New Bedford Webpage
US Maritime Administration

April 9, 2010 DOT Publishes Final Rule for Marine Highways Program:

- Designate AMH Corridors
- Designate AMH Projects
- Support AMH Transportation Projects
- Mitigate Landside Congestion, Environmental and Energy Costs
- Solutions to Impediments
- Expand AMH Use
- Coordination of Public and Private Stakeholders
- Conduct Research to Support AMH Development
AMH Puts Ports on the Map
Holistic Approach to Transportation Policy

Extension of Surface Transportation Network

◊ AMH Corridor Designations pending with USDOT Secretary
AMH Project Designation

Application Two-step process
1. "Project Designation" – June 11 Submission
2. Short-application – Apply for Funding ($7M); The applicant will likely be given 30 to 60-days to submit; Anticipated Award date is Sept 15 to 30, 2010.

Application Approach
1. Joint application; Regional partnership
2. Letters of Support: Senator, Representatives, MPO, DOT
3. Letters of Commitment: shippers, carriers, terminal operators
Application Process Summary:

April 9, 2010
AMH
Final Rule
April 15, 2010
Solicitation

June 11, 2010
AMH
Submission for
Project
Designation

July 2010
AMH
Short-
Application
for Funding

September 15-30,
2010
AMH
Funding Awards

Local Cost Share
Smaller Niche Ports – The Opportunities
Feeder Service / Domestic Cargo

- Feeder Service: Potential to remove 25% Containers
- Domestic Cargo: 90% of trucks on road are tractor trailers; penetrate new market
- Panama Canal Expansion: Work Directly with Shippers to network Local Ports and move cargo from Global Panama Hubs
Smaller Niche Ports - Direct Cost Benefits of AMH

Cost Comparison - On the Atlantic Coast Corridor for a container move requiring a 54 hour truck trip from point A to B:

- By Truck cost $1881
- By Rail cost $1070 and is 60.5 Hrs.
- By Sea cost $1045 and 70.5 Hrs.

Source: Four Corridor Case Studies of Short-Sea Shipping Service. Submitted to the DOT by Global Insight
Example AMH Project
Port of New Bedford, MA to Port of Canaveral, FL

- 916,000 truck trips and $155 M
- 1,109,625 metric tons of CO2 = $16.6 M of CO2 credit
- 45,888,100 gallons of Fuel
- Over 406 M truck miles = $194.6 M of public highway department costs
- 42 lives, 963 injuries; 23.9 K gal. spills

Source: Various - References Available Upon Request
Smaller Niche Ports—Benefits of AMH

Jobs / Economic Development / Local Investment

800 Jobs
$120 Million Annual Impact
Frontline of Supply Chain
Smaller Niche Ports – Approach to AMH

- Baseline Market Research
- Port Pairing
- AMH Applications
- Marketing
- Partnerships

![Graph showing percentage of Tons Cargo with 7% at 0.5 and 40% at 2 Tons Cargo.]

- Export
- Import
AMH Project Development

Public Ports
Governmental sponsors of the AMH Projects (AMH Port Terminals)

Customers
Port Tenants
Shippers
Regional Industry

Carriers
Jones Act Fleet
Barges
Ships
Port Partnerships with Industry

- High quality, client-focused project development and commercial operating principles

- Detailed knowledge covering:
  - Port markets
  - Project Feasibility
  - Port Industry relationships with operators and shippers
  - Relationships with labor

- Innovative project solutions drawn from best practice in a range of carrier services and terminal operations

- Relationships with shippers, rail companies, truckers, operators, and customers to assist in creating viable Project

Complete Public/Private Partnership for Developing a Commercially Sound Project
Smaller Ports: Challenges

- Cost Competitiveness
- Community Support
- Port Development Financing
- Intermodal Connections
- Port Infrastructure
- Cost Competitiveness
Port of New Bedford / Fairhaven

Chapter 91 Designated Port Area

Goal: Protect Maritime Industries

Smaller Ports: Harbor Planning/Zoning
Smaller Ports: Advantages

- Efficiency
- Underutilized: Room for Growth
- Quick Turn Around
- Limited Waterside Congestion
- Limited Landside Delays
- Lower Labor Costs
Smaller Ports: The Ideal Terminal

AMH Terminal Concept
- Flexibility for Barges and Ships
- Landside – Highway and Rail
- RO/RO and LO/LO Handling
- 15’ to 35’ MLW Channel Depth
- Berth – 400’ to 600’
- Cranes and RO/RO ramp
- Upland Yard w/ Reefer Plugs
- Storage Yard of 20 to 50 Acres
Albany to New Bedford
Heavy Lift AMH
AMH Activities Supporting Ports

- Funding Opportunities
- Industry Groups & Advocacy
- Research
- Focused Port Conferences
Funding

- AMH Grant ($7M)
- TIGER ($600M) (Award List/Next Round)
- Title XI (Admin costs only FY2011)
- Surface Transportation Bill
- HMT Trust Fund (50% HMT receipts FY2011)
America’s Association of Port Authorities

- Maritime Economic Development Committee; Grant Writing and AMH Conference
- Advocates for Port Development and Port Funding
Coastwise Coalition

- Advocacy
- Legislation Table
- HMT Exemption
- Meetings and Presentations
I-95 Corridor Coalition

- Marine Highway Working Group
- Corridor Request

Partnership with NAPA and Coastwise Coalition: Outreach to MPOs / Develop tools to leverage marine projects
North Atlantic Ports Association
Short Sea Shipping Committee

- Last Meeting: June 2, 2010
- Program Comment to MARAD
- MPO Outreach Partnership
Research Activities

- GMU - organizational and research activities underway within the I-95 corridor concerning Marine Highways; Their project to examine application of remote sensing and GIS technologies to evaluate MHS routing in the I-95 Corridor.

- TRB – Short Sea Shipping study on challenges; Phase II focus on hazardous cargo
Focused Port Conferences

- Port Summit – San Diego, February 2010
- JOC Conference – Baltimore, April 2010
- AAPA/MEDC – Port Development, July 2010