The Port of Baltimore

The Private Sector’s Perspective

...in part!
Baltimore’s maritime community is made up of hundreds of different organizations.

When the local business climate gets tough or unstable, even the biggest company can move their assets; ships & trucks

However Baltimore’s terminal operators, both the MPA and Private Sector, have sunk millions into Maryland and moving on is not that simple.
Private Sector Terminals

- Domino’s Sugar
  - Raw Sugar
  - Key Highway
- Westway Terminals
  - Molasses
  - Locust Point
- Steinweg
  - Generals
  - Locust Point
- Apex
  - Hydrocarbons
  - Canton
- Rukert Terminals
  - Generals
  - Canton
- CNX Marine Terminals
  - Coal
  - Canton
- National Gypsum
  - Gypsum
  - Canton
Private Sector Terminals

- CSX
  - Coal – Curtis Bay
- Amports
  - Autos – Curtis Bay
- Sevestal
  - Petcoke – Sparrows Point

To name a few plus the Fuel Oil Terminals in Curtis Bay …&

- Ports America Chesapeake - Seagirt
Almost all Private Terminals handle cargo in Bulk or Neo-Bulk, i.e. not unitized such as containers and RoRo, that require a variety of distribution modes and often need to move large volumes of product in a short period of time.
Steinweg
Steinweg
Why Baltimore?

- Geography
  - Road Advantage
  - Rail Advantage
  - Population
Why NOT Baltimore?

- Geography!
  - Road Congestion
  - Rail Congestion
  - Population
  - Tolls
Upside

Road Advantage
- Less Miles to Major Markets – Less Cost

Rail Advantage
- Two Class 1 Railroads + 2 Good Short Line RR.

Population
- Consumerism
- Available Workforce
Downside

- Roads
  - ....... *enough said. ........!* 
  - Any significant new building.......?

- Rail
  - Maybe saturated?
  - Tough for occasional shippers....

- Population
  - NI MBY
  - Education – lack thereof.....
Challenges - Road

- Safety Compliance / Owner Operators
- Driver shortages - Short Haul
- Emissions
- Fuel Cost
- Tolls
- Infrastructure destruction
Challenges - Rail

- Big Volume Preference?
- Expansion potential?
- Rail Commitment?
- Transit Times
- NI MBY
Positives

- NI MBY to MI ZOD
  - *it’s a start!*

- Cargo Volumes will increase
  - *provide meaningful employment*

- Port related investment will increase
  - *widens tax base*
Longer Term Solutions?

- Incentives For Railroad Use
  - More Short Line Railroads?
  - Tax credits

- New Ports in Maryland?
  - Short Sea Shipping
Short Sea Shipping

Connects Ocean Going Vessels with Inland Ports and smaller Coastal Ports By Tug/Barge or small Ships.
Short Sea Shipping

Economics II

Competitive Cost to Cargo Interest

- Rate per ton is competitive

- Large volumes, e.g. 1000 m/t, can move as a single lot.

- Manufacturers or Producers can establish ‘riverside’ manufacturing plants closer to the final market place.
Short Sea Shipping

Economics II

Cost Reduction to Vessel Interests

- Reduces port call costs
- Allows vessel operators to accept more cargos
- Better vessel cycle times
- Reduces fuel costs
Short Sea Shipping

Benefits

- Smaller Vessels – shallower water – less dredging.
- Alleviates road congestion in metro-port regions & interconnecting roadways.
- Helps maintain industry in regional areas.
- Breaks up concentration of emissions.
Short Sea Shipping
Short Sea Shipping
Short Sea Shipping

European River Craft
Technically we are already an inland port – 158 nautical miles (12 hours) from the sea buoy!

We already have a ‘short sea’ services – barge services for containers from Norfolk and Philadelphia. But the transit times are poor.
Maryland in the future

Why not two satellite, shallow depth, container ports in the vicinity of APG, PAX or Prince Georges County serving a large distribution center?
The Port of Baltimore

**Political Considerations**

- Short Sea Shipping & the *Jones Act*

- Are the State and the Feds prepared go on coughing up to fund the burden of *dredging* the Bay and tributaries?

- Is the State really *invested* in the Port?

- Even *playing field*